

Volume 2

CITY OF CHULA VISTA

GROWTH MANAGEMENT OVERSIGHT COMMISSION

2012 ANNUAL REPORT

Threshold Review Period 7/1/10 to 6/30/11

Appendices

Appendix A – 2011 Residential Growth Forecast

Appendix B – Threshold Standards Questionnaires

Libraries

Police

Traffic

Fire and Emergency Medical Services

Parks and Recreation

Fiscal

Drainage

Schools

Sewer

Air Quality

Water

June 7, 2012

Appendix A

November 14, 2011

City of Chula Vista

2011 Annual Growth Management Review Cycle



RESIDENTIAL GROWTH FORECAST
Years 2012 Through 2016

INTRODUCTION

As a component of the City of Chula Vista's Growth Management Program, the city's Development Services Department provides annual residential growth forecasts looking out five years in the future. This year's growth forecast covers the period from November 2011 through December 2016.

As part of the city's annual growth management review process, the growth forecast is provided to assist city departments and other service agencies in assessing potential impacts that growth may have on maintaining compliance with quality of life threshold standards associated with each facility or improvement listed below:

1. Air Quality
2. Drainage
3. Fire and Emergency Medical
4. Fiscal
5. Libraries
6. Parks and Recreation
7. Police
8. Schools
9. Sewer
10. Traffic
11. Water

The Chula Vista Growth Management Oversight Commission (GMOC) annually sends out the growth forecast and compliance questionnaires to city departments and service agencies, soliciting information regarding past, current and projected compliance with the quality of life threshold standards for the facilities and services listed above. The responses to the questionnaires form a basis for the GMOC's annual report, which includes a set of recommendations to the City Council regarding maintenance and/or revisions to each of the city's threshold standards. Recommendations may include such actions as adding or accelerating capital projects; hiring personnel; changing management practices; slowing the pace of growth; or considering a moratorium. The City Council ultimately decides what course of action to take.

To prepare the growth forecast, the city solicits projections from developers and builders, which encompasses residential projects that have been or are undergoing the entitlement process, and could potentially be approved and permitted for construction within the next five years. These projects are under the city's control with respect to the standard entitlement process time frames. As such, these numbers do not reflect market or other economic conditions outside the city's control.

Commonly referred to as the "growth management" or "GMOC" forecast, it is important to note that the housing market is influenced by a variety of factors outside the city's control, and this forecast:

- Does not represent a goal or desired growth rate;
- Is what may occur given a set of assumptions listed on page 4;
- Is produced by the city and not necessarily endorsed by home builders; and
- Represents a "worst-case" or more liberal estimate to assess maximum possible effects to the city's threshold standards.

Last year's growth forecast estimated that 367 building permits would be pulled for single-family units in 2011. As of November 14, 2011, 312 permits have been pulled. For multi-family, 754 units were forecast, and 335 have been pulled.

Nearly all of the building activity continues to be in the master planned communities in eastern Chula Vista. Increased residential infill and redevelopment in western Chula Vista continues to be slow, as projects that were originally planned for 2012-2014 have been postponed for at least another year. This includes two small multi-family projects (17-25 units) on Moss Street and Broadway, and a 167-unit multi-family project on Third Avenue. Residential development of the Bayfront is not projected to occur until 2017. Should other projects emerge, they will be reflected in future forecasts.

FORECAST SUMMARY

Over the next twelve months (January – December 2012), as many as 1,349 housing units could potentially be permitted for construction in eastern Chula Vista, with 12 projected in western Chula Vista (see Figures 1 and 2).

In the five-year forecast period (calendar years from 2012 through 2016), eastern Chula Vista may have as many as 5,537 housing units permitted (averaging 1,107 annually), and western Chula Vista may have as many as 363 units (averaging 73 annually). This totals 5,900 units citywide, with an annual average of approximately 1,180 housing units permitted per year (see Tables 1 and 2).

Using more aggressive development figures in this forecast allows the City of Chula Vista to evaluate the maximum likely effect this growth will have on maintaining the quality of life, and the ability to provide concurrent development of necessary public facilities and services.

The following discussions and figures describe the context, conditions and assumptions behind the forecast, and are provided to further qualify that this forecast is a “worst case” planning tool and not a prediction or specific expectation.

FORECAST INFORMATION

Projections are derived primarily from approved development plans, and estimated project processing schedules for project plan reviews, subdivision maps, and building plans.

The forecast is predicated upon the following five assumptions:

1. That public policy regarding development remains otherwise unchanged;
2. That the Growth Management Program's threshold standards are not exceeded;
3. That the housing market begins to revive;
4. That entitlement processing for Otay Ranch areas subject to recent Land Offer Agreements is completed as anticipated; and
5. That projects follow a normal project regulatory processing schedule.

Eastern Chula Vista

As noted above, most of the growth forecasted continues to be in eastern Chula Vista (see Figure 4), where several different companies, particularly in Otay Ranch Village 2, own property.

In Otay Ranch Villages 2, 7 and 11, entitlements for the 2012 projected single- and multi-family developments have been secured by various developers, including Baldwin & Sons, JPB, KB Homes, and McMillin. Entitlements are also in place for Eastlake's Summit and Olympic Pointe, as well as Bella Lago, Rolling Hills Ranch and San Miguel Ranch.

Until 2013, the majority of building activity is projected to occur in Eastlake and in Otay Ranch Village 2 (see Table 1). In 2013, McMillin is projecting 180 multi-family units for its Millenia project (formerly known as the Eastern Urban Center), with 401 more units in 2014 and over 500 additional units between 2015 and 2016. In 2014, building activity is projected to commence and continue for several years in Villages 8 and 10.

As of December 2011, the remaining capacity for residential units that could be permitted in eastern Chula Vista is approximately 20,959, based on the city's 2005 General Plan. If 5,537 units were permitted over the next five-year forecasted period, 15,422 units would remain. At that rate of growth, the capacity could potentially be built out around 2030. However, potential General Plan amendments in the future could result in additional units added to the inventory of housing units, thereby extending the build-out timeframe.

Western Chula Vista

Western Chula Vista has not shown significant increases in housing since the city's growth management program was instituted in the late 1980's. This situation is slowly changing, with growing interest in infill and redevelopment and density increases updated in the 2005 General Plan and the Urban Core Specific Plan (UCSP).

Reflective of development interest in western Chula Vista, several projects have been completed there in recent years, particularly along Broadway. At this time, as shown on Table 2, 363 units are projected over the next five years, with the largest development being the 167-unit Creekside Vistas project on Third Avenue.

Residential Construction History

As depicted on Table 3, the number of building permits issued for housing units in Chula Vista has fluctuated from a few hundred units a year to over 3,000, with an average of approximately 1,238 units per year over the last 30 years. Several market cycles have occurred, including recessions of the early 1980's (averaging 330 units/year) and 90's (averaging 693 units/year) and a downward trend in the number of units permitted between 2005 and 2009. The number of units is currently on an upward trend, with the number doubling from 2009 (275) to 2010 (500), and 647 units being issued in 2011, thus far (see Figure 3). A record 3,525 unit permits issued in 2001 represents a peak of residential permits that is not likely to return.

Between the years 1996 and 2001, the number of building permits issued for housing units steadily increased from about 1,000 units to the peak 3,525 units. A significant part of this is attributable to the onset of construction in Eastlake, Otay Ranch and other eastern Chula Vista

master planned communities. During the construction boom years from 2001-2006, the average annual number of units receiving permits for construction was approximately 2,200.

FORECASTED POPULATION

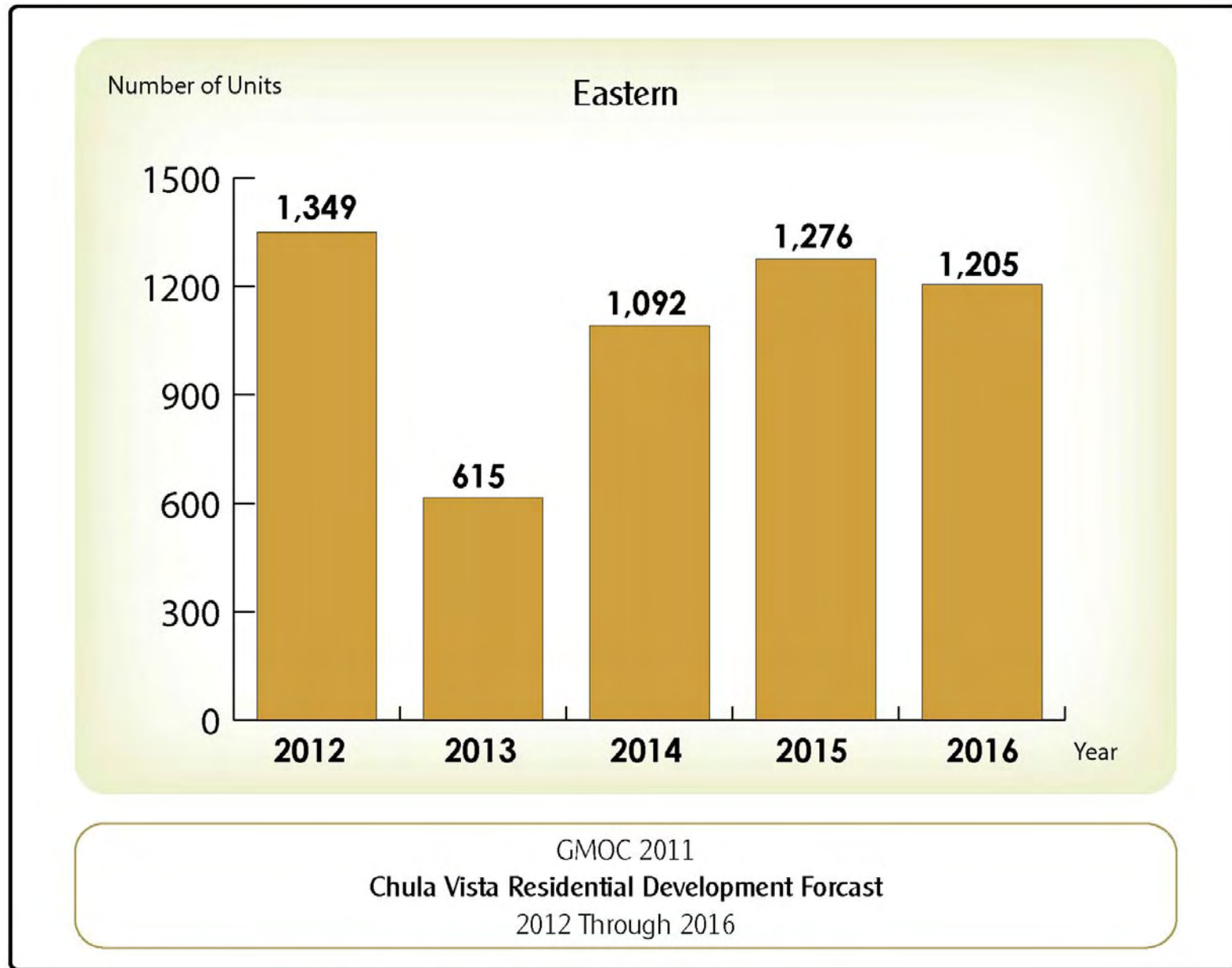
This report focuses on the forecasted residential units as the primary indicator to measure future population increases. Western Chula Vista (as evidenced by U.S. Census data) has been undergoing growth in the form of demographic changes as the average household size increases; however, such growth is difficult to track on a year-to-year basis and is not reflected in this report's future population forecast.

The California State Department of Finance estimates that Chula Vista has an average of 3.21 persons per household. Assuming that this estimate remains valid over the next five years, and assuming a 4.91% vacancy rate, Chula Vista can expect a total population of approximately 266,126 persons by the end of 2016. This is based on the following:

- The California State Department of Finance (DOF) estimated Chula Vista's population on January 1, 2011 as 246,496;
- An additional 531 units were occupied from January 1, 2011 to November 2011; and
- An additional 5,900 units may be permitted between November 2011 and December 2016.

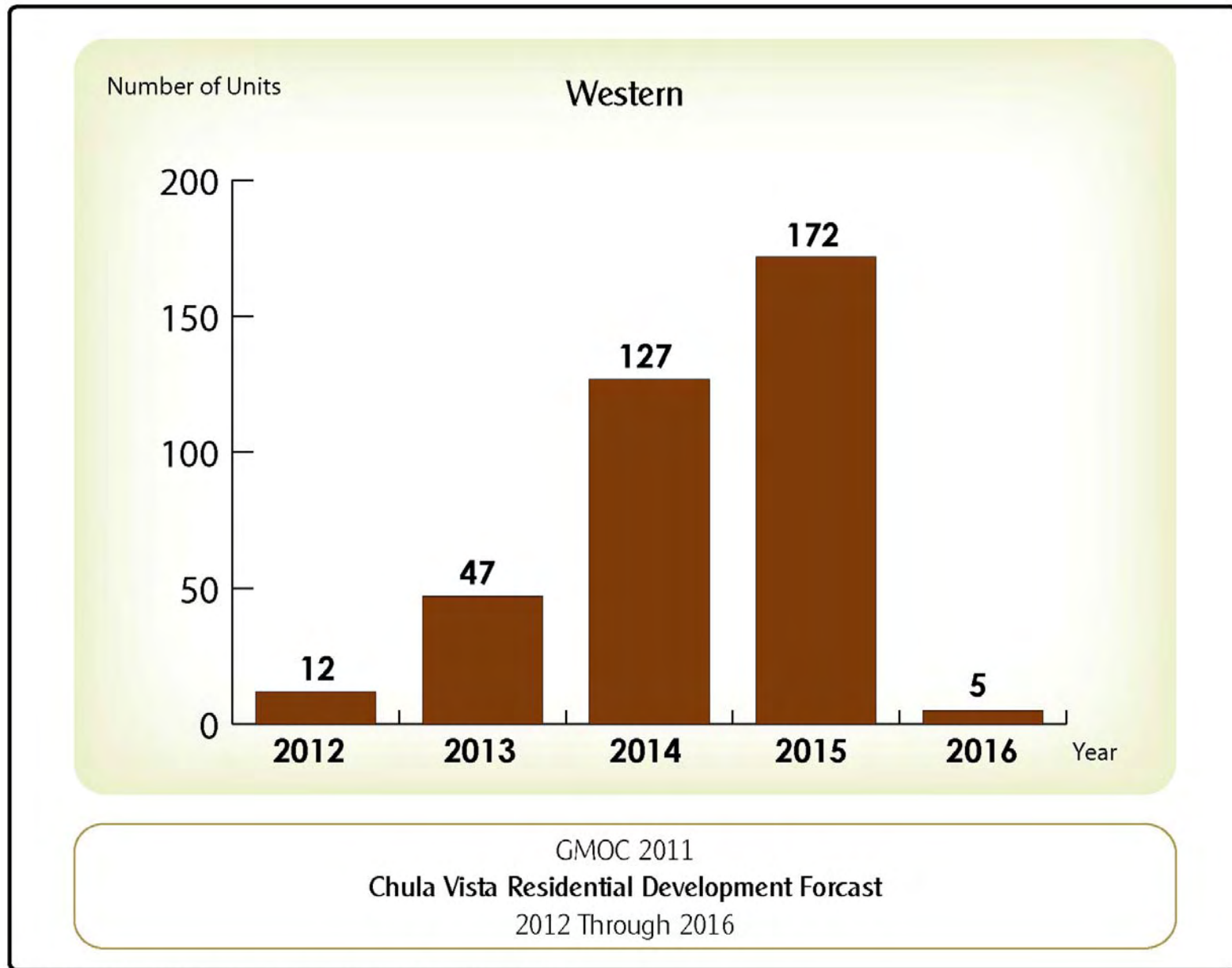
This is only a rough estimate for planning purposes, as the vacancy rate, persons per unit factors, and the number of actual units completed may vary.

Figure 1



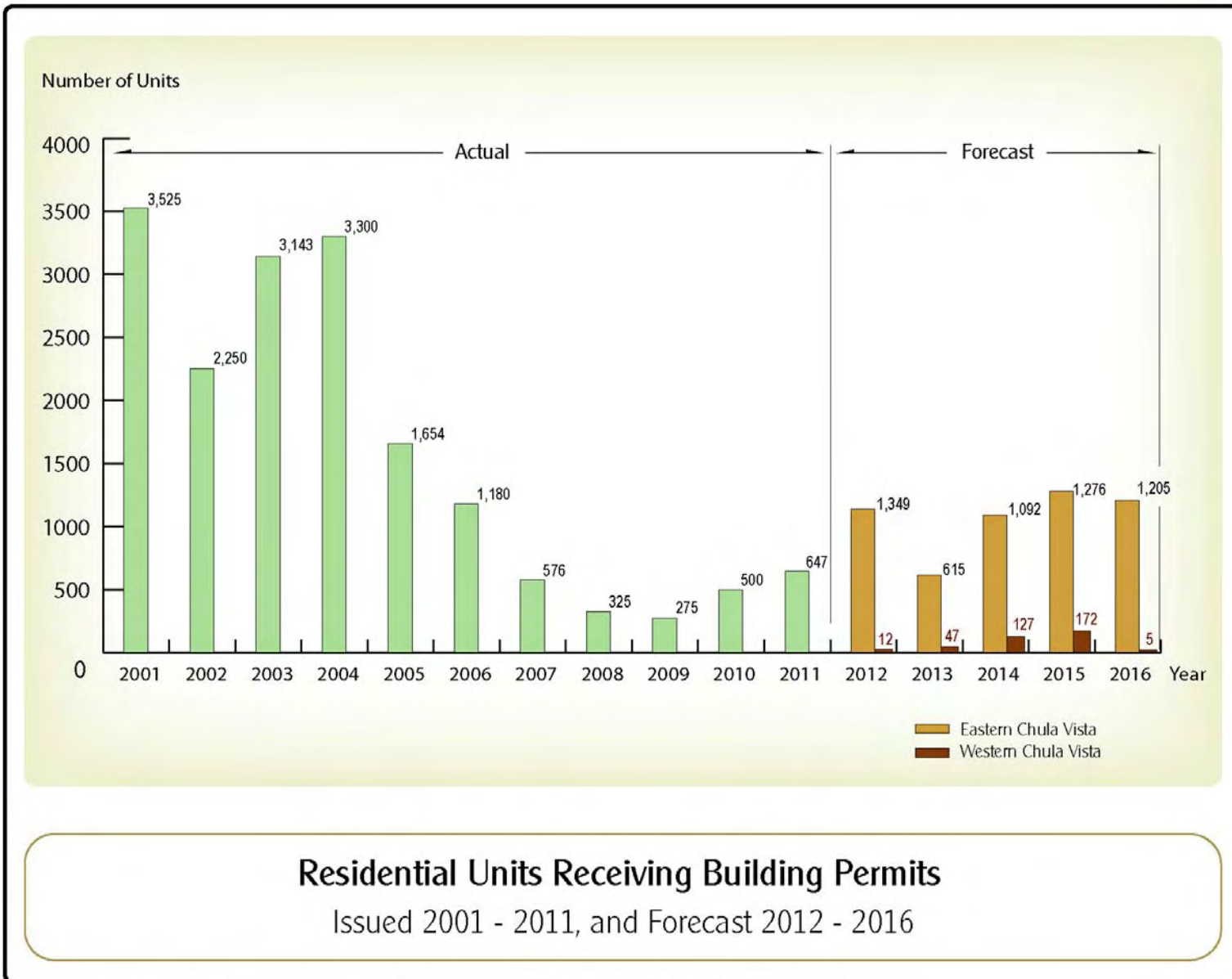
L:\Gabe Files\Projects by Requestor\Kim V\Residential Development Update figures & tables\CV Res Develop Forc Figures.ai 11.15.11

Figure 2



L:\Gabe Files\Projects by Requestor\Kim V\Residential Development Update\figures & tables\CV Res Develop Forc Figures.ai 11.15.11

Figure 3



L:\Gabe Files\Projects by Requestor\Kim V\Residential Development Update figures & tables\Eastern_Western_Residential_Development_Issued_2001-2011_forecast_2012-2016.ai.11.15.11

Figure 4

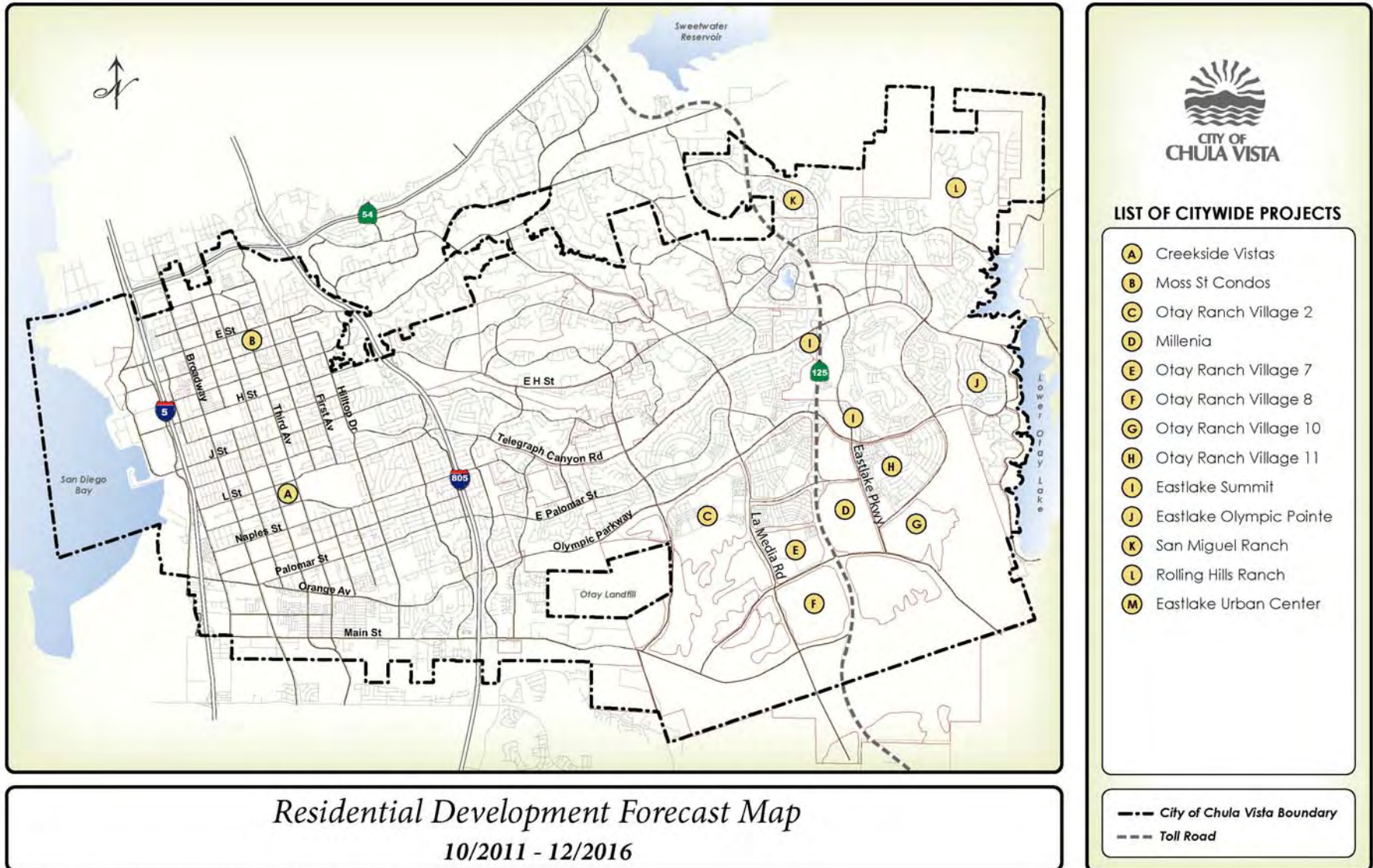


Table 1

GMOC 2012 - EASTERN CHULA VISTA RESIDENTIAL DEVELOPMENT FORECAST
November 2011 - December 2016

PROJECT	NOV. 2011. - DECEMBER 2012		JAN. - DECEMBER 2013		JAN. - DECEMBER 2014		JAN. - DECEMBER 2015		JAN. - DECEMBER 2016		Five Years Forecast	
	ISSUE*		ISSUE*		ISSUE*		ISSUE*		ISSUE*		NOV. 2011 - 2016	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
OTAY RANCH												
Village 2 - Baldwin & Sons	139	374	81	74	85	98	103	95	49	37	457	678
Village 2 - JPB	67	30	34	63	0	0	0	0	0	0	101	93
Village 2 - K.B. Homes	3	0	0	0	0	0	0	0	0	0	3	0
Village 7 - Baldwin & Sons	18	0	0	0	2	0	0	0	0	0	20	0
Village 7 - JPB	23	0	0	0	0	0	0	0	0	0	23	0
Village 7 - McMillin	57	0	86	0	59	0	5	0	0	0	207	0
Village 7 - Shea	0	33	0	40	0	42	0	40	0	21	0	176
Village 8 West - Otay Land Co.	0	0	0	0	50	100	50	150	100	200	200	450
Village 8 East and/or Village 10 - JPB	0	0	0	0	130	125	300	250	300	250	730	625
Village 9 - Otay Land Co.	0	0	0	0	0	0	0	0	0	0	0	0
Village 11 - Shea	0	20	0	0	0	0	0	0	0	0	0	20
Eastern Urban Center - McMillin	0	0	0	180	0	401	0	275	0	240	0	1096
Otay Ranch Sub-Total	307	457	201	357	326	766	458	810	449	748	1,741	3,138
EASTLAKE												
Greens (The Summit)	0	15	0	12	0	0	0	0	0	0	0	27
Vistas (Olympic Pointe)	0	427	0	0	0	0	0	0	0	0	0	427
Eastlake Sub-total	0	442	0	12	0	0	0	0	0	0	0	454
BELLA LAGO - Shea	20	0	0	17	0	0	0	0	0	0	20	17
BELLA LAGO LLC	0	0	0	0	0	0	8	0	8	0	16	0
Bella Lago Sub-total	20	0	0	17	0	0	8	0	8	0	36	17
ROLLING HILLS RANCH	39	0	28	0	0	0	0	0	0	0	67	0
SAN MIGUEL RANCH	0	84	0	0	0	0	0	0	0	0	0	84
SUB-TOTAL	366	983	229	386	326	766	466	810	457	748	1,844	3,693
TOTAL UNITS	1,349		615		1,092		1,276		1,205		5,537	
Annual Average:											1,107	
*ISSUE = Building Permit												

*ISSUE = Building Permit

*Assumes Adoption of 2006 GDPA

Table 2

GMOC 2012 - WESTERN CHULA VISTA RESIDENTIAL DEVELOPMENT FORECAST
November 2011 - December 2016

											Five Years Forecast	
PROJECT	NOV. 2011. - DECEMBER 2012		JAN. - DECEMBER 2013		JAN. - DECEMBER 2014		JAN. - DECEMBER 2015		JAN. - DECEMBER 2016		NOV. 2011 - 2016	
	ISSUE*		ISSUE*		ISSUE*		ISSUE*		ISSUE*		ISSUE*	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
1198 Trenton Ave	0	2	0	0	0	0	0	0	0	0	0	2
258 Alvarado St.	0	3	0	0	0	0	0	0	0	0	0	3
650 Chula Vista St.	0	2	0	0	0	0	0	0	0	0	0	2
778 Broadway - MU	0	0	0	25	0	0	0	0	0	0	0	25
Creekside Vistas - 912-944 Third Ave	0	0	0	0	0	0	0	167	0	0	0	167
354 Moss Street Condos	0	0	0	17	0	0	0	0	0	0	0	17
Marseilla Villas**	0	0	0	0	0	42	0	0	0	0	0	42
1350 Industrial Boulevard**	0	0	0	0	0	80	0	0	0	0	0	80
Second Accessory Units	5	0	5	0	5	0	5	0	5	0	25	0
SUB-TOTAL	5	7	5	42	5	122	5	167	5	0	25	338
TOTAL UNITS	12		47		127		172		5		363	
Annual Average:											73	

*ISSUE = Building Permit

** These projects are in conceptual discussion, and do not have specific project building plans under review at this time.

Table 3

**HISTORIC HOUSING AND POPULATION GROWTH
CITY OF CHULA VISTA 1980 – NOVEMBER 2011**

CALENDAR YEAR	Units Authorized for Construction (Issued)	Units Completed (Finaled)	Certified Year End Population (State D.O.F.) (1)		
			No.	% Change	
	No.	No.	No.		
1980	407	374	84,364		
1981	195	496	86,597	2.6%	
1982	232	129	88,023	1.6%	
1983	479	279	89,370	1.5%	
1984	1,200	521	91,166	2.0%	
1985	1,048	1,552	116,325	27.6%	(2)
1986	2,076	1,120	120,285	3.4%	
1987	1,168	2,490	124,253	3.3%	
1988	1,413	829	128,028	3.0%	
1989	1,680	1,321	134,337	4.9%	
1990	664	1,552	138,262	2.9%	
1991	747	701	141,015	2.0%	
1992	560	725	144,466	2.4%	
1993	435	462	146,525	1.4%	
1994	700	936	149,791	2.2%	
1995	833	718	153,164	2.3%	
1996	914	820	156,148	1.9%	
1997	1,028	955	162,106	3.8%	
1998	1,339	1,093	167,103	3.1%	
1999	2,505	1,715	174,319	4.3%	
2000	2,618	2,652	181,613	4.2%	
2001	3,525	3,222	191,220	5.3%	
2002	2,250	2,923	200,798	5.0%	
2003	3,143	2,697	208,997	4.1%	
2004	3,300	3,043	217,512	4.1%	
2005	1,654	2,525	224,006	3.0%	
2006	1,180	1,448	227,850	1.7%	
2007	576	837	231,157	1.5%	
2008	325	518	234,011	1.2%	
2009	275	398	244,269	4.4%	
2010	500	422	246,496	0.9%	
2011	648	531	248,117	0.7%	(3)
Annual Average	1,238	1,250	5,117	2.6%	(4)

(1) Reflects Department of Finance (DOF) comprehensively revised population figures for the end of the referenced year.

(2) Montgomery Annexation

(3) Population estimates are subject to change and refinement. They assume a 4.91% vacancy rate and 3.21 persons per unit, and are estimated prior to California Department of Finance (DOF) estimates, available in 2012.

(4) The annual average percentage is adjusted for the anomaly of the Montgomery Annexation.

Appendix B

Libraries

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to the Current Time and Five-Year Forecast)

LIBRARIES

THRESHOLD STANDARD

In the area east of I-805, the City shall construct, by buildout (approximately year 2030) 60,000 GSF of library space beyond the city-wide June 30, 2000 GSF total. The construction of said facilities shall be phased such that the City will not fall below the city-wide ratio of 500 GSF per 1,000 population. Library facilities are to be adequately equipped and staffed.

1. Please update the table below:

LIBRARIES			
	Population	Total Gross Square Footage of Library Facilities	Gross Square Feet of Library Facilities Per 1000 Population
Threshold	X	X	500 Sq. Ft.
5-Year Projection (2016)	266,126	95,400	358
12-Month Projection (12/31/12)	252,271	95,400	378
FY 2010-11	246,496	102,000/92,000*	414/387*
FY 2009-10	233,692	102,000	436
FY 2008-09	233,108	102,000	437
FY 2007-08	231,305	102,000	441
FY 2006-07	227,723	102,000	448
FY 2005-06	223,423	102,000	457
FY 2004-05	220,000	102,000	464
FY 2003-04	211,800	102,000	482
FY 2002-03	203,000	102,000	502
FY 2001-02	195,000	102,000	523
FY 2000-01	187,444	102,000	544
FY 1999-00	178,645	102,000	571

*After closure of EastLake Library in June 2011

Please provide brief responses to the following:

2. Are current facilities and staff able to serve forecasted growth for the next 12 to 18 months? If not, please explain.

Yes _____ No xx

3. Are current facilities and staff able to serve forecasted growth for the next five years? If not, please explain.

Yes _____ No xx

4. Will new facilities and staff be required to accommodate the forecasted growth?

Yes xx No _____

5. Please complete the table below:

LIBRARY USAGE TRENDS			
	Annual Attendance	Annual Circulation	Guest Satisfaction
FY 10/11	614,841	952,847	90%***
FY 09/10	605,979	985,157	90%**
FY 08/09	820,213	1,160,139	*
FY 07/08	1,296,245	1,265,720	89%
FY 06/07	1,148,024	1,344,115	88%
FY 05/06	1,170,168	1,467,799	85%
FY04/05	1,121,119	1,414,295	91%
FY03/04	1,076,967	1,308,918	88%

*The Library Dept eliminated its mystery shopper program in 08-09 for budget reasons, so no customer satisfaction survey was undertaken. The "mystery shopper" program sends field representatives to the library as ordinary library users to observe and rate staff, service, collection, facilities, etc, both in person and on the phone.

**An in-house survey using intern labor was performed in May-August 2010. Rating factors are not identical to previous years

*** Survey done as part of Library Facilities Master Plan project. Rating factors are not identical to previous years. .

6. What is the status of updating the Library Facilities Master Plan?

The draft of the Library Facilities Master Plan was completed and agendized for City Council review on July 12, 2011, but was pulled. Subsequently, the Council requested that the Library Strategic Plan be updated to replace the existing one that expired in 2006, before a Facilities Master Plan is brought forward. Funds are being sought to undertake a strategic planning process.

The draft version of the Library Facilities Master Plan validates the 500 sq ft of library space per 1000 population threshold specified in the current version of the Library Facilities Master Plan. The draft plan estimates that 60,000 square foot of library space is needed to bring library facilities into compliance with threshold standards, and observes that one 60,000 sq foot facility would be more cost effective to operate than two 30,000 sq foot facilities.

7. What is the status of constructing the Rancho del Rey library?

On hold. Finance Department estimates that DIF funds will be used to pay debt service for the next 10 years. Library is investigating a temporary space option for the Rancho Del Rey area, at the

request of City Council.

8. What is the status of constructing the EUC library?

According to Development Services Division, McMillin is expecting to start processing grading plans in the first quarter of 2012. It is unlikely we would see any actual construction in Millenia before the end of next year. As you know, we entered into a Development Agreement with McMillin as part of their entitlements for the Millenia project. Part of that agreement sets a timetable for delivery of library space. It states that within a year of adoption of a new Library Master Plan, McMillin is required to enter into a Library Delivery Agreement with the City that identifies a location as well as timing for delivery of library space. So once the new Library Master Plan is adopted the clock will start.

9. Please provide an update on potential options for providing library services, such as leasing storefront space or setting up a mobile library.

Otay Ranch Branch Library is scheduled to open in March 2012, in 3400 sq foot of leased space at Otay Ranch Town Center.

10. On a separate page, please provide Chula Vista Public Library Usage Measurements for 2010/2011, and include any available data for the County's Bonita-Sunnyside Branch.

11. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

Although the move of library service from the Eastlake High School shared use library to leased premises at Otay Ranch Town Center results in a slight loss of square footage, the improved location, convenience, and ability to offer better hours will more than make up for it. We anticipate that this temporary measure will increase library use and satisfaction until permanent library facilities are built on the east side of Chula Vista.

12. What are the libraries' current and projected hours of operation?

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Civic Center	1 - 5	10-8	10-8	10-8	10-8	10-5	10-5
South	1 - 5	10-8	10-8	10-8	10-8	10-5	10-5
Otay	closed	closed	11-7	11-7	11-7	12-6	12-6

PREPARED BY:

Name: Betty Waznis
Title: Library Director
Date: December 12, 2011

FY 2010-11 Monthly Statistics

		July		August		September		October		November		December		January		February		March		April		May		June	
			2010		2010		2010		2010		2010		2010		2011		2011		2011		2011		2011		2011
Internet	Civc		8,597		9,881		8,873		9,687		7,716		6,091		6,123		6,726		7,481		7,407		7,021		8,203
	South		6,495		6,825		6,274		6,336		5,547		4,222		5,728		5,135		6,252		6,311		6,365		6,857
Gate Count	Civc		28,138		35,972		31,900		31,769		29,368		23,832		24,444		40,019		30,308		31,174		26,882		32,853
	Eastlake		2,833		3,344		2,688		3,144		2,584		1,693		1,326		1,131		1,641		1,130		1,227		0
	South		22,501		23,251		22,684		20,477		17,261		11,694		17,478		16,110		18,571		16,024		18,220		21,170
	Total		53,472		62,567		57,272		55,390		49,213		37,219		43,248		57,260		50,520		48,328		46,329		54,023
New Cards issued	Civc		787		1,006		994		858		724		503		700		634		685		669		622		807
	Eastlake		78		996		57		68		62		34		91		61		46		35		30		4
	South		626		694		562		533		439		311		375		442		517		515		504		612
	Total		1,491		2,696		1,613		1,459		1,225		848		1,166		1,137		1,248		1,219		1,156		1,423
Programming	Civc		852		275		568		520		393		374		144		360		283		1,129		494		1,128
	Eastlake		176		65		124		172		204		131		0		60		105		61		128		32
	South		769		300		539		730		276		220		82		130		99		14		112		1,110
	Offsite		0		0		0		0		188		0		0		35		0		600		1,100		215
	Total		1,797		640		1,231		1,422		1,061		725		226		585		487		1,804		1,834		2,485
Circulation	Civc		43,035		46,021		41,818		44,853		39,903		32,078		41,177		37,532		43,074		40,421		34,409		44,934
	Eastlake		11,793		13,003		11,768		12,391		11,154		7,808		8,865		7,902		9,192		8,303		8,810		2,519
	South		31,732		30,640		28,663		29,768		27,268		22,124		30,008		24,882		30,854		30,562		28,837		34,746
	Total		86,560		89,664		82,249		87,012		78,325		62,010		80,050		70,316		83,120		79,286		72,056		82,199

Bonita Branch Library Use Statistics FY 10-11					
	Square ft	Population	Circulation	Card holders	Hours open weekly
Bonita Branch	10,000	13,544	336,096	36,052	58.0

Police

GROWTH MANAGEMENT OVERSIGHT COMMISSION

2012 QUESTIONNAIRE

(Review Period: 7/1/10 - 6/30/11, through the Current time, and Five-Year Forecast)

POLICE

THRESHOLD STANDARD:

Emergency Response: Properly equipped and staffed police units shall respond to 81% of the Priority I emergency calls throughout the City within seven (7) minutes and shall maintain an average response time to all Priority I calls of five minutes and thirty seconds (5.5 minutes) or less (measured annually).

Urgent Response: Properly equipped and staffed police units shall respond to 57% of the Priority II urgent calls throughout the City within seven (7) minutes and shall maintain an average response time to all Priority II calls of seven minutes and thirty seconds (7.5 minutes) or less (measured annually).

1. Please update the Priority I table, below:

PRIORITY I – Emergency Response Calls For Service				
	Call Volume	% of Call Responses Within 7 Minutes	Average Response Time	Average Dispatch Time ¹
Threshold		81.0%	5:30	
FY 2010-11	657 of 64,695	85.7%	4:40	N/A
FY 2009-10	673 of 68,145	85.1%	4:28	N/A
FY 2008-09	788 of 70,051	84.6%	4:26	N/A
FY 2007-08	1,006 of 74,192	87.9%	4:19	N/A
FY 2006-07	976 of 74,277	84.5%	4:59	N/A
FY 2005-06	1,068 of 73,075	82.3%	4:51	N/A
FY 2004-05	1,289 of 74,106	80.0%	5:11	N/A
FY 2003-04	1,322 of 71,000	82.1%	4:52	N/A
FY 2002-03	1,424 of 71,268	80.8%	4:55	N/A
FY 2001-02²	1,539 of 71,859	80.0%	5:07	N/A
FY 2000-01	1,734 of 73,977	79.7%	5:13	N/A
FY 1999-00	1,750 of 76,738	75.9%	5:21	N/A
CY 1999³	1,890 of 74,405	70.9%	5:50	N/A
FY 1997-98	1,512 of 69,196	74.8%	5:47	N/A
FY 1996-97	1,968 of 69,904	83.8%	4:52	N/A
FY 1995-96	1,915 of 71,197	83.0%	4:46	N/A

¹ Officers are dispatched while in the field on patrol, therefore there is no time delay when a call is dispatched.

² All figures after FY 2000-2001 (as well as Priority II figures on the next page) reflect a change in citizen-initiated call reporting criteria. Prior to FY 01-02, citizen-initiated calls were determined according to call type; they are now determined according to received source.

³ The FY98-99 GMOC report used calendar 1999 data due to the implementation of the new CAD system in mid-1998.

Please provide brief responses to the following:

2. During the period under review, were 81% of Priority I emergency calls citywide responded to within the threshold standard of seven minutes (maintaining an average of 5.5 minutes)? If not, please explain and describe what is necessary to meet the threshold standard for Priority I emergency calls citywide.

Yes ☒ X

No ☐

3. Please update the Priority II table, below:

PRIORITY II – Urgent Response Calls for Service				
	Call Volume	% of Call Responses Within 7 Minutes	Average Response Time	Average Dispatch Time ⁴
Threshold		57.0%	7:30	
FY 2010-11	21,500 of 64,695	49.8%	10:06	N/A
FY 2009-10	22,240 of 68,145	49.8%	9:55	N/A
FY 2008-09	22,686 of 70,051	53.5%	9:16	N/A
FY 2007-08	23,955 of 74,192	53.1%	9:18	N/A
FY 2006-07	24,407 of 74,277	43.3%	11:18	N/A
FY 2005-06	24,876 of 73,075	40.0%	12:33	N/A
FY 2004-05	24,923 of 74,106	40.5%	11:40	N/A
FY 2003-04	24,741 of 71,000	48.4%	9:50	N/A
FY 2002-03	22,871 of 71,268	50.2%	9:24	N/A
FY 2001-02	22,199 of 71,859	45.6%	10:04	N/A
FY 2000-01	25,234 of 73,977	47.9%	9:38	N/A
FY 1999-00	23,898 of 76,738	46.4%	9:37	N/A
CY 1999	20,405 of 74,405	45.8%	9:35	N/A
FY 1997-98	22,342 of 69,196	52.9%	8:13	N/A
FY 1996-97	22,140 of 69,904	62.2%	6:50	N/A
FY 1995-96	21,743 of 71,197	64.5%	6:38	N/A

Please provide brief responses to the following:

4. During the period under review, were 57% of the Priority II urgent response calls citywide responded to within seven minutes (maintaining an average of 7.5 minutes)? If not, please explain and describe what is necessary to meet the threshold standard for Priority II urgent response calls citywide.

Yes ☐

No ☒ X

Staffing must be significantly increased in the Community Patrol Division in order to meet the priority two response time goals. Without adding additional staff this is most likely the best that can be achieved without additional patrol personnel. Further discussion regarding staffing issues and priority response times are included below.

⁴ Officers are dispatched while in the field on patrol, therefore there is no time delay when a call is dispatched.

5. Was the Police Department properly equipped to deliver services at the level necessary to maintain Priority I and II threshold standard compliance during the period under review?

Yes X

No

If not, please explain.

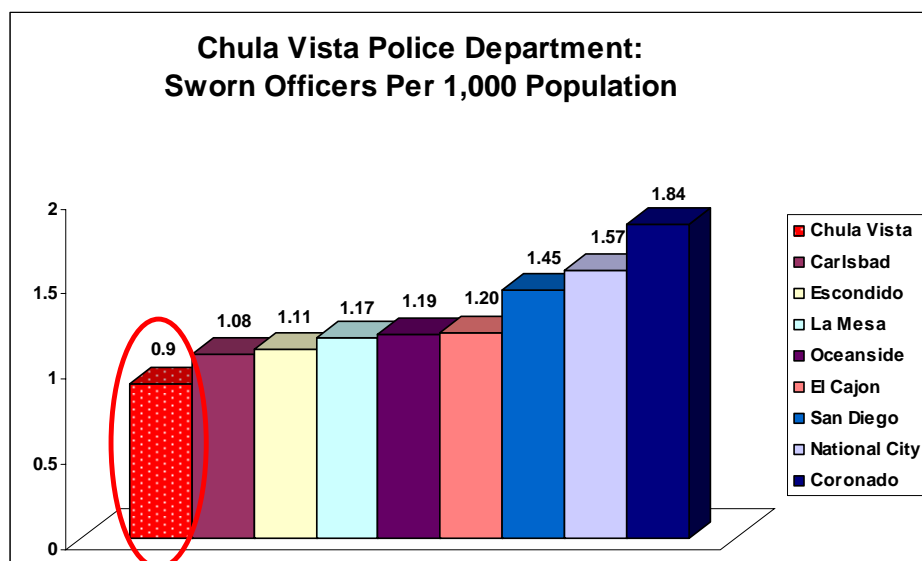
6. Was the Police Department properly staffed to deliver services at the level necessary to maintain Priority I and II threshold standard compliance during the period under review?

Yes

No X

If not, please explain.

As has been discussed in previous GMOC questionnaires, the police department has experienced significant staffing issues due to budget reductions throughout the Department. Since fiscal year 2007, the Department has eliminated 23 sworn positions. Although the Patrol Division's staffing level has remained essentially unchanged, the additional elimination of Community Service Officers has added additional workload to patrol officers. This additional workload is normally associated with low level reports which will undoubtedly have an effect on priority response times, especially Priority II responses. The elimination of 11 SRO positions also means a portion of calls for service that would have been normally covered by an SRO might be handled by a regular patrol officer. In addition to the staffing reductions, the Police Department is currently not staffed at levels recommended by the staffing model last completed in 2005. This staffing model recommended adding a total of 10 new officers (three to meet current CFS requirements and seven to staff a new beat in the eastern territory), as well as three additional Community Service Officers. In FY 07/08 the Department cut eleven sworn positions, four Police Dispatchers, and the remaining four Community Service Officers from patrol due to budget constraints. The Chula Vista Police Department has chronically been the lowest staffed agency in San Diego County. The staffing levels are currently 0.9 officers authorized per 1,000 residents as of June 28, 2011 (see chart below).



7. **Has growth during the last year negatively affected the Department's ability to maintain service levels consistent with the threshold standard?**

Yes _____

No X

If yes, please explain and describe what factors contributed to not meeting the threshold standard.

Although growth slowed during the reporting period the Department has been understaffed based on growth in previous years. As noted earlier, our current staffing levels are below those recommended in a six-year old staffing study. Chronic understaffing will inhibit the Department's ability to meet the thresholds.

8. **Are current facilities, equipment and staff able to accommodate citywide growth forecasted, and meet the threshold standard, for the next 12 to 18 months?**

Yes _____

No X

If not, please explain.

Currently the facilities are able to accommodate growth over the next 12 to 18 months. It was reported in the previous year's GMOC report that the elimination of the vehicle replacement fund was going to impact the department's ability to fund other police programs. One-time funding was utilized to replace aging patrol vehicles and will be unavailable in the future. In addition, the continued understaffing facing the department will dramatically impact the Police Department's ability to meet the threshold standard.

9. **Are current facilities, equipment and staff able to accommodate citywide growth forecasted, and meet the threshold standard, for the next five years?**

Yes _____

No X

If not, please explain.

Current facilities are able to accommodate growth for the next five years, but staffing, equipment and maintenance are not. The elimination of the Vehicle Replacement fund will have a negative impact on the readiness of patrol vehicles for service. As patrol vehicles reach higher mileage, there may be increased down time due to service needs. Additionally, staffing cuts in the Public Works Department to the mechanics and radio shop employees will mean longer out-of-service times for vehicle and equipment awaiting repairs.

The Department has had to secure contracts for service to outfit new patrol vehicles with radios and other equipment (computer, lights/siren, gun mounts, etc) which has also diverted funds which could have been used to support enforcement programs throughout the department (e.g. In car video cameras, mobile data computer (MDC) replacement, etc). In addition, the Building Maintenance fund has been eliminated, which will hinder maintenance needs which need to be resolved. The Police Department is approaching the time to upgrade our Computer Aided Dispatch System (CAD), however there are currently no funds available for such an upgrade to occur. Currently the Police Department is seeking other funding to maintain the equipment needs of the department, which will prevent using the funds for other police services and programs.

10. Please update the table below:

NUMBER OF FALSE ALARMS PER YEAR					
FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
8,077	8,257	7,861	5,924	6,694	6,424

11. Please provide an update on the Police Department's efforts to improve the Priority II threshold standard.

Maintaining staffing levels in the patrol division continues to be a priority for the Department. The Department has used light-duty officers to take low-level crime reports over the phone, which allows officers in the field to respond to higher priority level calls for service. The use of light-duty officers is sporadic however and there may not always be a light-duty officer available for reports. Residents are still encouraged to utilize the Department's Online Crime Reporting System to report low-level crimes, including vehicle burglaries, thefts and vandalisms. However, given the current budget crisis, along with the cuts that have already been made in the Department, we do not anticipate the necessary resources being available to meet the threshold standard for priority two CFS. The Police Department has exhausted all resources with the goal of improving priority two response times, but without funding for additional staff the priority two CFS threshold will remain unmet in the foreseeable future.

The City Manager has approved a comprehensive staffing study to be conducted to look at the appropriate staffing levels needed throughout the organization, especially in patrol. This staffing study will examine the appropriate staffing levels to achieve compliance with the Priority II response threshold.

There are several developments in the last year that will help mitigate any further erosion to the Priority II response times. First, the Department recently entered into a contract with the US Marshals Office to house Federal prisoners in the Departments 48 bed jail. This contract will essentially eliminate the remaining \$500,000 in general fund support of the jail. This will lower the Departments net cost to the general fund, which should reduce the chance of further reductions. As a result of this contract, the Department has hired a private security firm to conduct all transports of prisoners, which will mean officers will no longer be required to perform prisoner transports, resulting in more time available for officers on-duty. The Department is also hiring four new experienced officers who should have minimal training times and be able to be fully ready for regular patrol duty in a short time. As was mentioned in the paragraph above, the Department will be undergoing a comprehensive staffing study, and one of the areas that will be explored will be the use of Community Service Officers or other civilian staff (e.g. volunteers, hourly employees, etc) to handle the low priority reports, which should result in more available time for officers to handle higher priority calls for service. The Department is also examining different methods to handle responses to alarm calls. With 99% of the alarm calls being classified as false alarms, a significant amount of officer time is spent responding to these calls, which in-turn places additional response delays to legitimate calls for service.

12. What is the status of School Resources Officers?

The City was able to secure funding for 7 SRO Officers from the Sweetwater Union High

School District and the Chula Vista Elementary School District (from 18 Officers previously). Despite their significant budget issues, they realize the importance of the SRO program for their schools and have committed the funds to continue these important programs, albeit in a significantly reduced format. Funding for this program is year-by-year because of budgetary issues at the school districts.

Despite the reduction in the number of SRO's, the SRO program continues to meet the most crucial needs of the Chula Vista Elementary School District, as well as the Sweetwater Union High School District.

- 13. As a result of top-to-bottom discussions, there will be a proposal to report response times from “received to arrive.” In anticipation of this change, please report “received to arrive” response times in the tables below for the period under review.**

PRIORITY I – Emergency Response Calls For Service (Received to Arrive)				
	Call Volume	% of Call Responses Within 7 Minutes	Average Response Time	Average Dispatch Time⁵
Threshold		81.0% N/A	5:30-6:00	
FY 2010-11	657 of 64,695	N/A	5:35	N/A *

PRIORITY II – Urgent Response Calls for Service (Received to Arrive)				
	Call Volume	% of Call Responses Within 7 Minutes	Average Response Time	Average Dispatch Time⁵
Threshold		57.0% N/A	7:30-12:00	
FY 2010-11	21,500 of 64,695	N/A	12:31	N/A *

Based on the discussions the department participated in during the top-to-bottom review it was our understanding that the proposed changes to the response time methodology would include:

- Calculating response time from the time the call was received in the Communications Center to the time that the first unit arrived on scene.
- Elimination of the normalization calculation.
- Include false burglary alarms calls for service in Priority 2 calculation.
- The response time threshold for Priority 1 calls for service would be increased to 6:00 minutes.
- The response time threshold for Priority 2 call for service would be increased to 12:00 minutes.

The response time figures represented in the tables reflects the outlined criteria above.

- 13. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.**

As was mentioned in Question #11 above, the City Manager has approved a comprehensive

⁵ Officers are dispatched while in the field on patrol, therefore there is no time delay when a call is dispatched.

staffing study to be conducted to look at the appropriate staffing levels needed throughout the organization, especially in patrol. This staffing study will examine the appropriate staffing levels in patrol to maintain compliance with the Priority I response threshold, as well as achieve compliance with the Priority II response threshold. This study will also look at staffing levels and management structures throughout the department to ensure that the department is running as efficiently as possible.

PREPARED BY:

Name: Ed Chew/Melanie Culuko

Title: Continuous Improvement Manager/Public Safety Analyst

Date: December 19, 2011

Traffic

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE

(Review Period: 7/1/10-6/30/11, to the Current Time, and Five-Year Forecast)

TRAFFIC

THRESHOLD STANDARDS

- 1. Citywide: Maintain LOS "C" or better as measured by observed average travel speed on all signalized arterial segments, except that during peak hours LOS "D" can occur for no more than two hours of the day.**

With appropriate maps and tables, please provide brief responses to the following:

- 1. During the period under review, has the city maintained LOS "C" or better on all signalized arterial segments? If not, please list segments involved and explain.**

Yes _____

No X

During the period under review Heritage Road northbound from Olympic Parkway to Telegraph Canyon Road and Otay Lakes Road southbound from East H Street to Telegraph Canyon Road did not meet the City's GMOC threshold standards during this period.

- 2. During the period under review, were there arterial segments operating at LOS "D" for more than two hours during peak hours? If yes, please list segments involved and explain.**

Yes X

No _____

Citywide, Heritage Road in the northbound direction, from Olympic Parkway to Telegraph Canyon Road, the arterial segment exceeded LOS "D" for more than two hours during peak hours. During the six-hour peak period under review, the segment is operating at five hours of LOS "D" and one hour of LOS "E".

Also, Otay Lakes Road southbound from East H Street to Telegraph Canyon Road, the arterial segment exceeded LOS "D" for more than two hours during peak hours. During the six-hour peak period under review, the segment is operating at four hours of LOS "D" and two hours of LOS "C".

During this review period, the City hired a consultant on as-needed basis to carry out the City of Chula Vista's Traffic Signal Optimization Program. This is necessitated due to the retirement of the City's Signal Systems Engineer. The City budget currently has 0.5 position budgeted. However, we are planning to assign one of our Associate Civil Engineers (full time) to be in charge of the City's 268 traffic signal program. This individual will be in charge of evaluating and monitoring existing signals for desired signal timing improvements and make changes to improve the signal synchronization and corridor coordination. For about one-year, we have not been able to monitor corridor timing.

Numerous signal systems/corridors will be analyzed for phasing and timing improvements based on traffic data collected by city forces. These shall determine the need for re-timing analysis and the results shall be significant improvement in traffic flow characteristics including fewer vehicle stops and delays.

3. **Are current facilities able to accommodate growth for the next 12 to 18 months without exceeding the threshold standards? If not, please list new roadways and/or improvements necessary to accommodate forecasted growth for the 12- to 18-month timeframe.**

Yes _____

No X

Recent traffic monitoring runs conducted after this reporting period show that westbound Olympic Parkway from east of Brandywine Avenue to Oleander Avenue near I-805 is experiencing varying degrees of traffic congestion. During the a.m. period, there is a need to increase the storage length of the westbound Olympic Parkway to southbound Brandywine Avenue left turn pocket so that the left turning traffic does not block the westbound through lane that consequently blocks one of three westbound lanes.

There is a proposed project to increase existing storage from 220 feet to 450 feet in the single westbound left-turn lane on Olympic Parkway to southbound Brandywine Avenue (TF-377 CIP Project). Therefore, more traffic will be able to utilize the left-turn movement in each cycle since blocking of the single left lane by the queue in the through lane is less likely with doubling of the storage length. The City Council has approved this new CIP Project TF-377 in Fiscal Year 2011/2012 for this work. This project will be implemented after collecting data from the wireless detectors system that is currently under construction (CIP Project TF379). The scope of TF379 Project is to install wireless vehicle detection systems on Olympic Parkway that will provide real-time 24-hours per day, 365 days-a-year level of service data. Thus, seasonal peaks and other short-term impacts can be identified and mitigated.

The loss of one westbound through lane increases delay to the through movement along Olympic Parkway roadway segment. The a.m. Level of Service is at "E". Throughout the rest of the day, the roadway segment is operating at Level of Service "B" for mid-day and level of Service "C" for the p.m. peak period. Ultimate improvements needed are the southerly extension of Heritage Road from Olympic Parkway to Main Street.

In the interim, additional signal loop detectors had been constructed and added this fiscal year at the I-805/East Orange Avenue/Olympic Parkway signals in conjunction with the California Department of Transportation (Caltrans). This work will allow Caltrans the ability to make even further traffic signal timing changes to help reduce vehicular delays approaching the interchange.

a. How will these facilities be funded?

These facilities will be funded by developers as project mitigation measures or with development impact fees such as the TDIF, for east of I-805, the WTDIF, for west of I-805 and/or a combination of other local, TransNet, state and federal funds.

b. Is there an appropriate/adequate mechanism(s) in place to provide this funding?

Yes, there are appropriate funding mechanisms in place to provide funding for needed roadway improvements.

4. Are current facilities able to accommodate growth for the next five years without exceeding the threshold standards? If not, please list new roadways and/or improvements necessary to accommodate forecasted growth for the 5-year timeframe.

Yes _____

No X

Olympic Parkway traffic levels will increase as development continues to the east. With continued traffic monitoring, the schedule for constructing the southerly extension of Heritage Road will be determined. Heritage Road south of Olympic Parkway is only partially graded.

Caltrans is currently working on the design of the I-805 Managed Lanes project which will provide for carpool and bus access to and from the north. The project may also include a value-pricing program allowing toll-paying single occupant vehicles access onto and off of I-805 at East Palomar Street. The project construction is expected to commence in Year 2012 with the East Palomar Street northbound on-ramp and southbound off-ramp completed by Year 2014. Due to a need to widen and provide a new bridge profile, Caltrans plans to demolish the East Palomar Street Bridge in the summer of 2012 and complete the construction by August 2014 as part of the East Palomar Street Direct Access Ramp (DAR) Project. It is expected that with the project, some traffic originating in the area bounded by parallel streets such as Olympic Parkway and Telegraph Canyon Road would divert to East Palomar Street, since a DAR is available for carpool vehicles.

Subsequent phases of work will continue north to State Route 94 and those phases will be completed by year 2020.

The San Diego Association of Governments (SANDAG) is also working on the South Bay Bus Rapid Transit (SBBRT) project that will also utilize this East Palomar Street corridor from the Otay Ranch Mall to downtown San Diego in Year 2014. When completed, the Caltrans Managed Lane project, DAR Project, and the SANDAG SBBRT project will help reduce traffic congestion at Olympic Parkway, Telegraph Canyon Road and at East H Street.

After an exhaustive due diligence and public hearing process, the SANDAG Board of Directors voted December 16 to purchase the asset for \$341.5 million. The transaction that transferred ownership of the lease to operate the State Route 125 toll road was completed on December 21, and beginning December 22 SANDAG is the operator of the South Bay facility.

No significant changes are expected in the first few months. SANDAG has contracted with the former operator and is retaining the existing staff to continue running the facility during a six-month transition phase. SANDAG will oversee the operations.

Next spring, SANDAG expects to begin a process to lower tolls. Reduced tolls are expected to attract more users to SR 125, relieving congestion on I-805 and reducing the need for some improvements there. Construction will begin in 2012 on two carpool lanes – one in each direction – on I-805 in South Bay. However, the acquisition of SR 125 will make it unnecessary to add another two carpool lanes on I-805 in the future.

- a. **How will these facilities be funded; and**
- b. **Is there an appropriate/adequate mechanism(s) in place to provide this funding?**

Development is required to pay their fair share in mitigating any project impacts. The City of Chula Vista has transportation development impact fees that will collect sufficient funds for needed transportation improvements. The development impact fees pay only for the proportionate share of the project that is impacted by development. Existing deficiencies are the responsibility of the City to fund with other sources such as local TransNet, State and Federal funds. The transportation development impact fee program is periodically updated so that program identified project costs and scopes are updated as well as adding or deleting projects. The city does have in the current Capital Improvement Program a project identified to update both the TDIF and the WTDIF programs.

Both the Caltrans and SANDAG projects have a combination of regional, state and federal funds for all of the phases of work such as preliminary engineering, planning, environmental, design and construction. As each of these projects completes a phase of work, the region approves funding for the subsequent phases. City of Chula Vista funds are being used for City staff time only.

5. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

The City of Chula Vista is wrapping up a regional study with Caltrans and SANDAG for the Interstate-5 Multi-modal corridor study. This study makes recommendations for transportation and goods movement projects along the Interstate-5 corridor. Recommendations include improvements for bicyclists, the freeway, light rail trolley projects, local-street improvements, pedestrian facilities, and transit improvements. Top priority for the Interstate-5 freeway is the Palomar Street interchange as well as other freeway improvements such as ultimately constructing carpool lanes through Chula Vista. The highest priority is for the light rail trolley projects to grade separate the Palomar Street at-grade crossing followed in priority by the H Street crossing then followed by the E Street crossing. SANDAG has incorporated these regional improvements into their 2050 Regional Transportation Plan. Regarding local roadways, recommendations to increase traffic signal staffing will help keep roadways in compliance with GMOC standards.

PREPARED BY:

Name: Francisco X. Rivera P.E., T.E,
Title: Principal Civil Engineer

Name: Muna Cuthbert P.E.
Title: Senior Civil Engineer

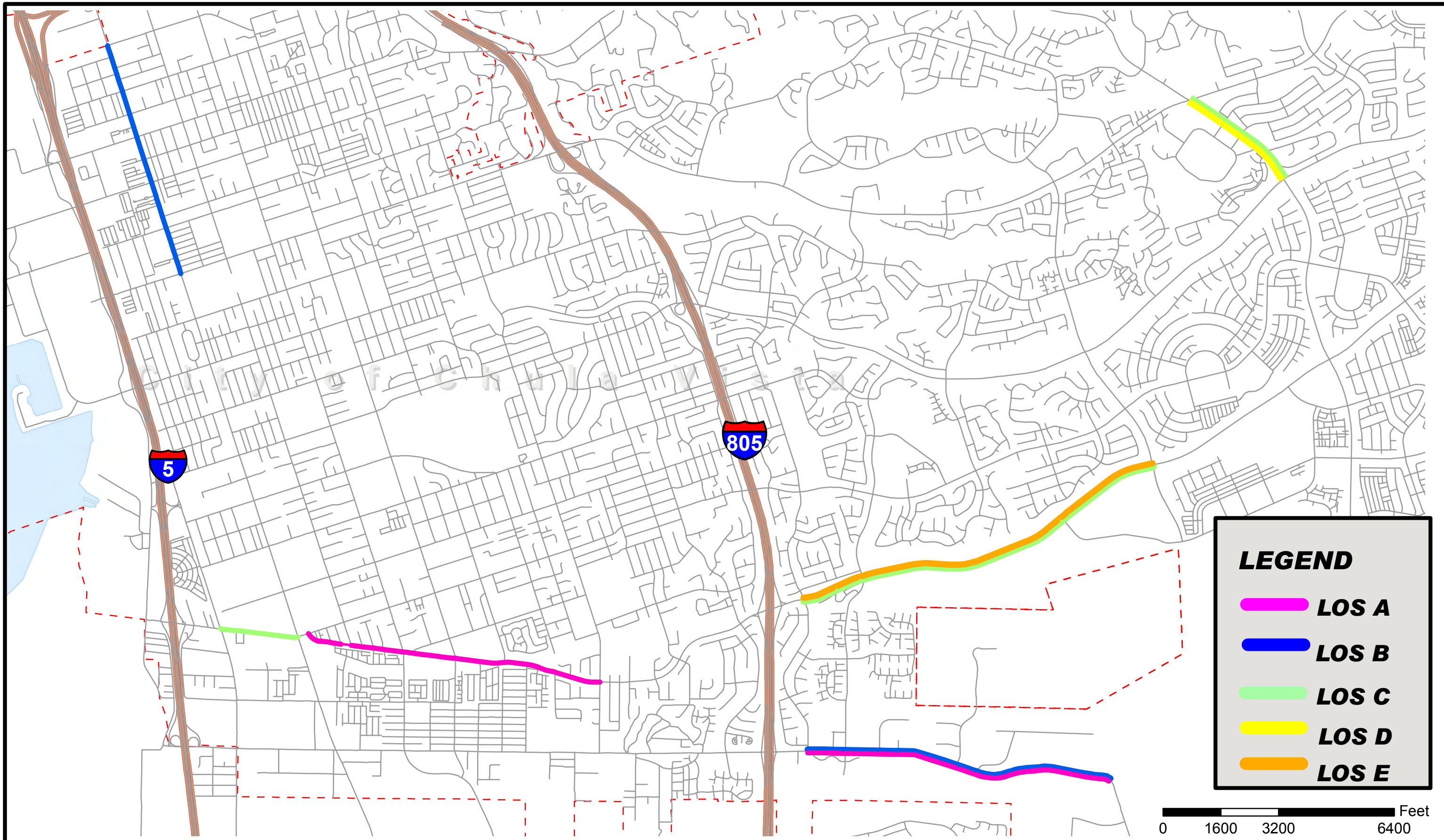
Date: January 11, 2012

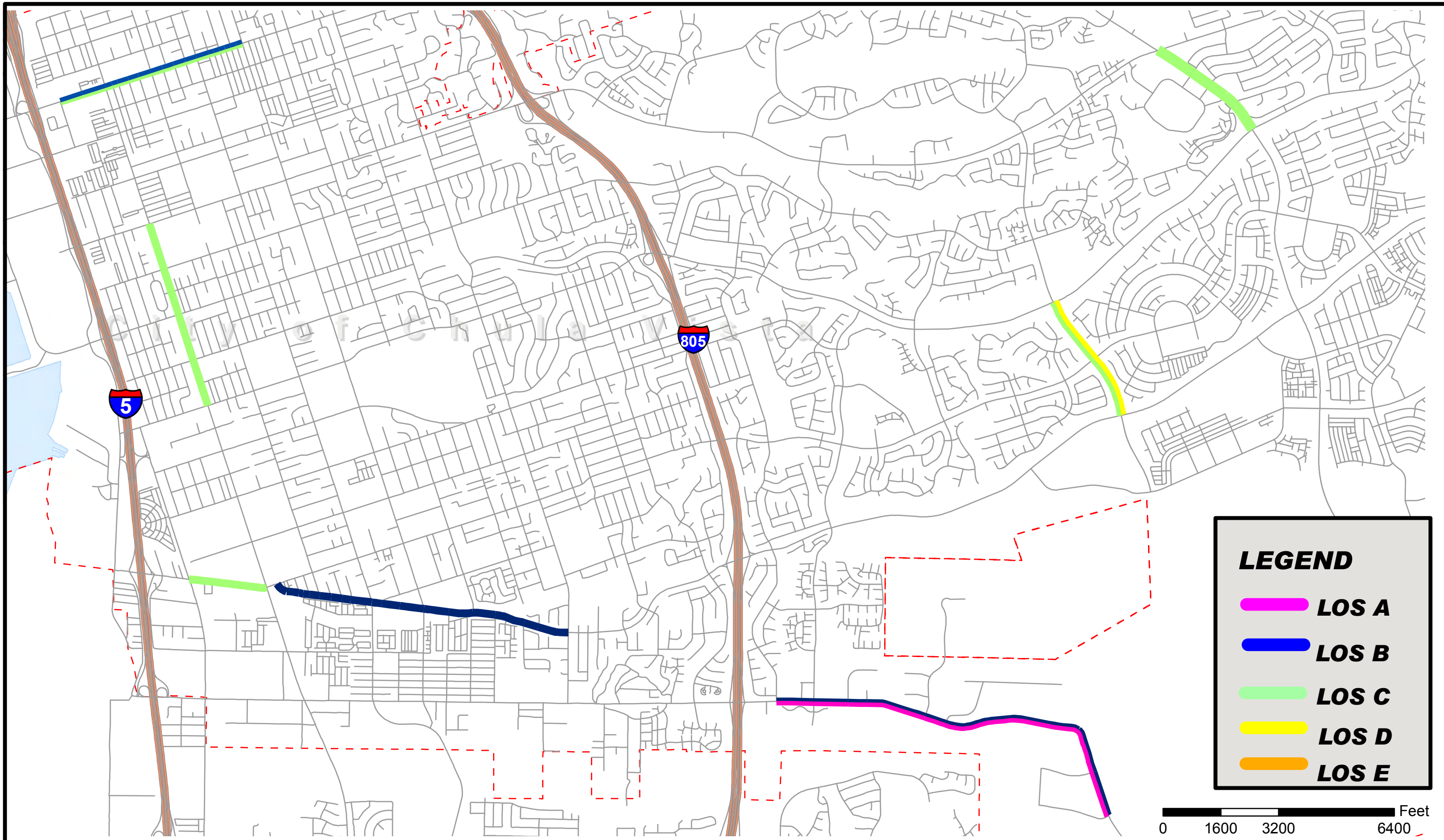
GMOC 2010 - 2011 TMP ARTERIAL SEGMENT LOS																	
ALL TIME PERIODS																	
			AM PERIOD		AM PERIOD			MID-DAY		MID-DAY			PM PERIOD		PM PERIOD		
			7 - 8 AM		8 - 9 AM			11:30 - 12:30		12:30 - 1:30			4 - 5 PM		5 - 6 PM		
	SEGMENT (CLASS)	DIR.	LOS	SPEED	LOS	SPEED		LOS	SPEED		LOS	SPEED		LOS	SPEED		
	Third Ave.																
1	G St. - Naples St.	NB		B	22.5	('09)			C		18.3	('08)			C	16.7	('08)
	(3RD1 - HCM 4)	SB		B	19.5	('09)			C		16.4	('08)			C	18.9	('08)
2	Naples St. - S. CVCL	NB		B	20.2	('05)			B		20.3	('10)			C	19.0	('08)
	(3RD2 - HCM 4)	SB		B	20.8	('05)			B		20.7	('10)			C	18.2	('08)
	Fourth Ave.																
3	Brisbane St. - H St.	NB		B	21.8	('09)			B		21.6	('09)			B	21.6	('09)
	(4TH1 - HCM 4)	SB		B	19.1	('09)			B		19.3	('09)			C	18.5	('09)
4	H St. - Naples St.	NB		B	23.4	('08)			B		19.8	('08)			C	18.7	('08)
	(4TH2 - HCM 4)	SB		B	22.7	('08)			B		23.8	('08)			B	21.7	('08)
5	Naples St. - Main St.	NB		B	23.8	('07)			B		23.8	('07)			B	23.3	('07)
	(4TH3 - HCM 4)	SB		B	21.9	('07)			B		20.9	('07)			B	20.3	('07)
	Bonita Rd.																
6	Plaza Bonita - East CVCL	EB		B	29.2	('07)			A		31.9	('07)			A	32.2	('07)
	(BR1 - HCM 3)	WB		A	30.8	('07)			A		31.8	('07)			B	28.0	('07)
	Broadway																
7	C St. - H St.	NB		B	23.0	('11)			B		21.3	('08)			B	20.0	('08)
	(BRD1 - HCM 4)	SB		B	19.5	('11)			C		17.3	('08)			C	16.8	('08)
8	H St. - L St.	NB		B	21.4	('07)			C		16.3	('10)			C	18.8	('08)
	(BRD2 - HCM 4)	SB		B	23.8	('07)			C		18.5	('10)			C	18.1	('08)
9	L St. - S. CVCL	NB		B	22.6	('07)			B		20.3	('07)			C	17.7	('08)
	(BRD3 - HCM 4)	SB		A	25.7	('07)			B		20.6	('07)			C	18.7	('08)
10	C St - Main St	NB		A	26.6	('09)			B		21.1	('09)			B	21.2	('09)
	(BRDTF350 - HCM4)	SB		B	21.9	('09)			C		18.2	('09)			B	19.1	('09)
	E St.																
11	Woodlawn Ave. - Third Ave.	EB		A	27.1	('08)			C		17.4	('10)			C	16.6	('08)
	(EST1 - HCM 4)	WB		A	25.3	('08)			B		22.4	('10)			B	20.1	('08)
12	Third Ave. - Bonita Glen	EB		A	25.2	('09)			A		25.1	('08)			B	20.3	('08)
	(EST2 - HCM 4)	WB		A	25.3	('09)			B		23.5	('08)			B	20.7	('08)
	Runs completed 7/1/10 - 6/30/11	BOLD															
	Lower Half of LOS C																

GMOC 2010 - 2011 TMP ARTERIAL SEGMENT LOS															
ALL TIME PERIODS															
			AM PERIOD		AM PERIOD		MID-DAY		MID-DAY		PM PERIOD		PM PERIOD		
			7 - 8 AM		8 - 9 AM		11:30 - 12:30		12:30 - 1:30		4 - 5 PM		5 - 6 PM		
	SEGMENT (CLASS)	DIR.	LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED	
	LOS D														
	F St.														
13	Broadway - Hilltop Dr.	EB		B	19.7	('09)		C	18.0	('08)		C	18.2	('08)	
	(FST1 - HCM 4)	WB		C	18.3	('09)		B	19.2	('08)		C	17.8	('08)	
	H St.														
14	Woodlawn Ave.- Third Ave.	EB		C	18.9	('09)		C	18.0	('10)		C	14.6	('09)	
	(HST1 - HCM 4)	WB		B	20.0	('09)		C	18.7	('10)		C	16.3	('09)	
15	Third Ave. - Hilltop Dr.	EB		B	20.1	('09)		B	21.1	('08)		C	16.7	('08)	
	(HST2 - HCM 4)	WB		B	20.2	('09)		B	21.3	('08)		C	18.2	('08)	
	East H St.														
16	Hidden Vista - Ps Ranchero	EB		B	32.0	('08)		A	36.5	('08)		B	32.3	('08)	
	(EHS1 - HCM 2)	WB		B	33.6	('08)		B	32.4	('08)		B	31.8	('08)	
	East H St.														
17	Ps Ranchero - Eastlake Dr.	EB		B	25.9	('08)		B	28.6	('08)		C	23.7	('08)	
	(EHS2 - HCM 3)	WB		A	30.2	('08)		A	30.4	('08)		B	24.3	('08)	
	Heritage Rd.														
18	Tel Cyn Rd. - Olympic Pkwy	NB	D	21.0 ('11)	D	18.9 ('11)	D	19.5 ('11)	D	18.4 ('11)	D	19.1 ('11)	E	16.8 ('11)	
	(HR - HCM 2)	SB	C	23.6 ('11)	C	25.1 ('11)	C	23.1 ('11)	C	24.5 ('11)	C	22.2 ('11)	C	24.5 ('11)	
	Hilltop Dr.														
19	F St. - L St.	NB		C	17.7	('08)		B	19.4	('08)		C	18.5	('08)	
	(HIL1 - HCM 4)	SB		B	19.1	('08)		B	20.7	('08)		B	20.3	('08)	
20	L St. - Orange Ave.	NB		C	18.4	('08)		B	23.3	('09)		A	26.6	('04)	
	(HIL2 - HCM 4)	SB		B	20.0	('08)		B	21.2	('09)		B	23.4	('04)	
	Industrial Blvd.														
21	L St. - Main St.	NB		B	21.8	('08)		B	22.1	('07)		B	21.0	('10)	
	(IND1 - HCM 4)	SB		B	24.3	('08)		B	22.2	('07)		C	15.9	('10)	
	Runs completed 7/1/10 - 6/30/11	BOLD													
	Lower Half of LOS C														
	LOS D														

GMOC 2010 - 2011 TMP ARTERIAL SEGMENT LOS																
ALL TIME PERIODS																
			AM PERIOD		AM PERIOD			MID-DAY		MID-DAY			PM PERIOD		PM PERIOD	
			7 - 8 AM		8 - 9 AM			11:30 - 12:30		12:30 - 1:30			4 - 5 PM		5 - 6 PM	
	SEGMENT (CLASS)	DIR.	LOS	SPEED	LOS	SPEED		LOS	SPEED		LOS	SPEED		LOS	SPEED	
	LOS E															
	J St.															
22	Oaklawn Ave. - 3rd Ave.	EB		C	17.8	('09)		C		17.0	('08)		C		15.3	('08)
	(JST1 - HCM 4)	WB		B	19.6	('09)		C		18.2	('08)		C		17.4	('08)
	L St.															
23	Industrial Blvd. - 3rd Ave.	EB		C	18.4	('09)		C		17.0	('08)		C		14.4	('08)
	(LST1 - HCM 4)	WB		B	19.4	('09)		C		16.5	('08)		C		15.7	('08)
24	3rd Ave. - Tel. Cyn Rd./Nacion	EB		B	23.8	('07)		A		25.9	('07)		B		22.5	('07)
	(LST2 - HCM 4)	WB		B	24.8	('07)		A		26.2	('07)		A		25.2	('07)
	La Media Rd															
24	Tel. Cyn Rd. - Olympic Pkwy	NB	C	22.8 ('08)	C	24.3 ('08)		C		25.8	('10)		C		22.2	('09)
	(LM1 - HCM 2)	SB	D	18.4 ('08)	C	26.8 ('08)		C		24.5	('10)		C		23.6	('09)
	Main St.															
25	Industrial Blvd. - 3rd Ave.	EB		B	24.6	('08)		B		20.5	('08)		B		21.4	('08)
	(MA1 - HCM 4)	WB		B	31.4	('08)		B		24.0	('08)		B		24.0	('08)
26	3rd Ave. - Melrose Ave.	EB		B	30.0	('09)		B		29.3	('09)		A		30.4	('11)
	(MA2 - HCM 3)	WB		B	28.5	('09)		B		25.9	('09)		B		26.3	('11)
	Main St.															
27	Oleander-Entertainment Cir. S.	EB		A	41.3	('11)		A		41.7	('11)		A		40.1	('06)
	(MA3 - HCM 2)	WB		B	34.9	('11)		B		31.8	('11)		B		32.2	('06)
	Olympic Parkway															
28	Oleander Ave. - Heritage Rd.	EB	C	32.6 ('10)	B	37.2 ('10)		B		40.6	('10)		C		30.4	('10)
	(OP - HCM 1)	WB	* E	19.9 ('10)	C	31.2 ('10)		B		38.6	('10)		C		28.0	('10)
	Orange Ave./E. Orange Ave.															
29	Palomar St. - Hilltop Dr.	EB		A	26.9	('11)		B		23.5	('11)		B		22.1	('05)
	(OR1 - HCM 4)	WB		A	25.9	('11)		B		21.9	('11)		A		25.2	('05)
30	Hilltop Dr.- Melrose Ave.	EB		A	27.2	('08)		A		29.4	('08)		A		25.7	('08)
	(OR2 - HCM 4)	WB		A	26.9	('08)		A		29.4	('08)		B		22.9	('08)
	* LC = 60% FULL SHEET															
	Runs completed 7/1/10 - 6/30/11	BOLD														
	Lower Half of LOS C															

GMOC 2010 - 2011 TMP ARTERIAL SEGMENT LOS															
ALL TIME PERIODS															
SEGMENT (CLASS)	DIR.	AM PERIOD		AM PERIOD		MID-DAY		MID-DAY		PM PERIOD		PM PERIOD		LOS	SPEED
		7 - 8 AM	8 - 9 AM	11:30 - 12:30	12:30 - 1:30	4 - 5 PM	5 - 6 PM								
LOS D		LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED	LOS	SPEED		
LOS E															
Otay Lakes Rd.															
31 Bonita Rd. - East H St.	NB		B	30.4	('08)		B	34.5	('07)		B	32.0	('08)		
(OLR1 - HCM 2)	SB		C	26.8	('08)		B	33.2	('07)		B	29.7	('08)		
32 E. H St.- Telegraph Cyn Rd.	NB	C	20.8 ('11)	B	28.0 ('11)		C	19.4 ('11)	* C	18.1 ('11)	C	19.5 ('11)			
(OLR2 - HCM 3)	SB	D	17.5 ('11)	D	17.9 ('11)		C	21.0 ('11)	D	17.7 ('11)	D	14.8 ('11)			
Palomar St.															
33 Industrial Bl. – Broadway	EB		C	18.6 ('11)		C	15.6 ('11)		C	14.1 ('11)					
(PAL1 - HCM 4)	WB		C	15.1 ('11)		C	16.1 ('11)		* D	10.6 ('11)					
34 Broadway - Hilltop Dr.	EB		B	21.4	('07)		B	20.9	('07)		B	19.9	('08)		
(PAL2 - HCM 4)	WB		B	22.5	('07)		B	19.6	('07)		C	18.6	('08)		
Paseo Ranchero															
35 East H St. - Tel. Cyn Rd.	NB		C	20.0 ('09)		B	26.2	('09)		C	25.4	('08)			
(PR1 - HCM 3)	SB		C	21.6	('09)		B	24.9	('09)		C	23.9	('08)		
Telegraph Canyon Rd./ Otay Lakes Rd.															
36 Cyn Plaza d/w - Ps Ranchero	EB		B	34.9	('07)		A	36.5 ('06)		A	35.2	('07)			
(TC1 - HCM 2)	WB		B	31.5	('07)		A	35.1 ('06)		A	35.4	('07)			
37 Ps Ranchero - St. Claire Dr.	EB		B	34.0	('07)		A	40.2	('07)		A	37.2	('08)		
(TC2 - HCM 2)	WB		B	30.2	('07)		A	38.1	('07)		B	33.2	('08)		
* LC = 60% FULL SHEET															
Runs completed 7/1/10 - 6/30/11 BOLD															
Lower Half of LOS C															
LOS D															
LOS E															

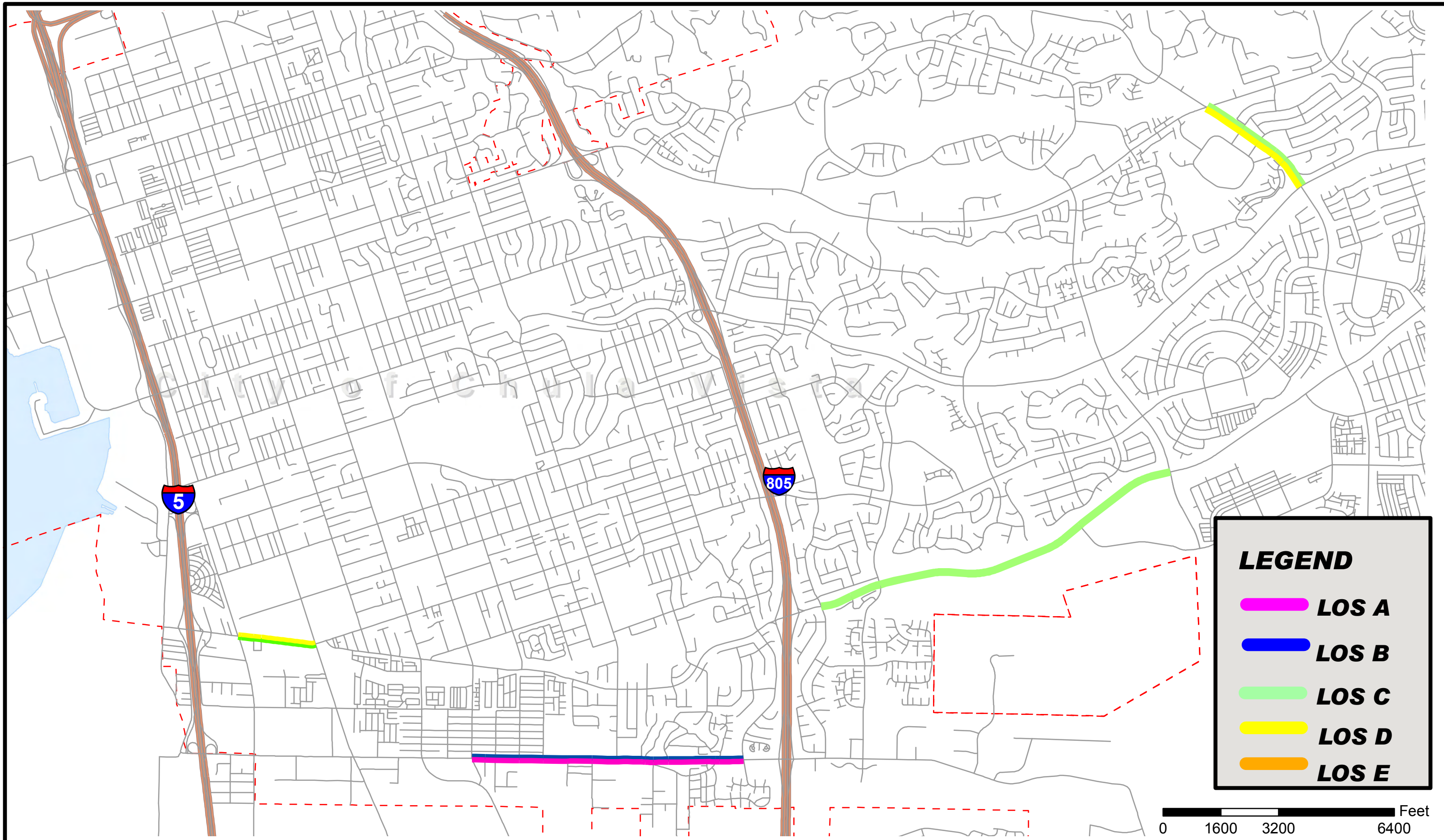




**2011
TRAFFIC MONITORING
PROGRAM**

**ARTERIALS SEGMENTS (LOS "C", "D", OR "E")
Mid-Day Peak Period**





**2011
TRAFFIC MONITORING
PROGRAM**

**ARTERIALS SEGMENTS (LOS "C", "D", OR "E")
PM Peak Period**



Fire and Emergency Medical Services

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to the Current Time, and Five-Year Forecast)

FIRE / EMERGENCY MEDICAL SERVICES

THRESHOLD STANDARD:

Emergency response: Properly equipped and staffed fire and medical units shall respond to calls throughout the City within seven (7) minutes in 80% (current service to be verified) of the cases (measured annually).

Please complete the following tables:

FIRE/EMS - Emergency Response Times		
Review Period	Call Volume	% of All Call Response w/in 7:00 Minutes
THRESHOLD		80.0%
FY 2011	9916	78.1
FY 2010	10,296	85%
FY 2009	9,363	84.0%
FY 2008	9,883	86.9%
FY 2007	10,020	88.1%
CY 2006	10,390	85.2%
CY 2005	9907	81.6%
FY 2003-04	8420	72.9%
FY 2002-03	8088	75.5%
FY 2001-02	7626	69.7%
FY 2000-01	7128	80.8%
FY 1999-00	6654	79.7%

COMPARISON	
Average Response Time for 80% of Calls,	Average Travel Time
6:46	3:41
5:09	3:40
4:46	3:33
6:31	3:17
6:24	3:30
6:43	3:36
7:05	3:31
7:38	3:32
7:35	3:43
7:53	3:39
7:02	3:18
	3:29

Note: Reporting period for FY 2001-02 and 2002-03 is for October 1, 2002 to September 30, 2003. The difference in 2004 performance when compared to 2003 is within the 2.5% range of expected yearly variation and not statistically significant.

Please provide brief responses to the following:

1. **During the period under review, were 80% of calls responded to within the threshold standard of seven minutes? If not, what is required to meet the threshold standard?**

Yes _____

No X**

**See comments under question #10.

2. **During the period under review, did the Fire Department have sufficient properly equipped fire and medical units to maintain threshold standard service levels? If not, please explain.**

Yes X**

No _____

**See comments under question #9.

3. During the period under review, did the Fire Department have adequate staffing citywide for fire and medical units to maintain threshold standard service levels? If not, please explain.

Yes X

No

4. Are current facilities, equipment and staff able to accommodate forecasted growth for the next 12 to 18 months? If not, please explain.

Yes X

No

5. Are current facilities, equipment and staff able to accommodate forecasted growth for the next five years? If not, please explain.

Yes X

No

Our existing facilities, staffing and equipment should be sufficient over the next five years given the current lack of growth in the City. Fire station #5 located at Fourth Ave. and Oxford Street was built in 1960 and is in need of major renovation. This facility is on the City's Capital Improvement List however the City has limited funding available to address these capital improvements and the list is extensive.

6. Please report any significant progress in the adoption of the Fire Facility Master Plan.

The Fire Facility Master Plan update is complete and we are working with the consultant on developing a fiscal analysis to accompany the document. The Fire Department is scheduling a series of public information meetings where we will share the plan with civic groups and solicit feedback.

7. On the table below, please provide comparative data on response and calls for service before and after the transition to San Diego Dispatch.

DISPATCH COMPARATIVE DATA Before and After Transition to San Diego Dispatch					
Dates	Call Volume	Average Response Time	Average Dispatch Time	Average Travel Time	Percentage of Calls Within 7 Minutes
FY 2010/11	9916	7:10	23 seconds	3:41	78.1
FY 2009/10	10,296	6:11	20 seconds	3:40	85.0
FY 2008/09	9,363	5:23	32 seconds	3:33	84.0
3-4-08 thru 6-30-08	3,012	5:29	35 seconds	3:14	82.2
7-1-07 thru 3-3-08*	6,871	4:58	11 seconds	3:19	87.4

*Prior to transfer of dispatching services to San Diego Dispatch on 3-4-08.

8. **What percentage of calls received were for fire services, and what percentage were for medical emergency services?**

Fire 5.1

Medical 84.9

Other Emergencies 10

9. **The 2011 GMOC Annual Report included the following recommendation: *That City Council direct the Fire Department to pursue maintenance/replacement strategies for aging equipment that will ensure that the threshold standard will continue to be met.* What is the status of completing this recommendation?**

The Fire Department is currently working with Finance and Public Works to develop and bring to Council an apparatus replacement policy specific to the Fire Department. The City's existing vehicle replacement policy is broad and does not meet the needs of the Fire Department. We will be asking Council to adopt the National Fire Protection Associations Standard for Fire Apparatus Replacement (NFPA 1901). The adoption of this standard will provide a policy addressing replacement of both our frontline and reserve emergency response fleet.

10. **Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.**

Over the last year the Fire Department has seen an increase in our turnout times. This is being monitored and addressed through our Operations division. We are collecting and reviewing turnout and response data by individual units and addressing this issue with the companies that are not meeting the standard.

The Fire Department has been working towards several milestones that will significantly improve our ability to serve the citizens. With the adoption of the Fire Facility Master Plan comes the implementation of NFPA 1710 and a road map to future fire stations, staffing and response criteria. The adoption of NFPA 1901 provides the Fire Department with an Apparatus Replacement Policy that guarantees our personnel will always have the necessary equipment to perform at their best. Finally, the Fire Department has been working to provide an Advance Life Support (ALS) program to make certain our citizens receive the finest most appropriate Emergency Medical care in a timely manor. These programs will enable the City of Chula Vista Fire Department to provide superior services to our community.

PREPARED BY:

Name: Dave Hanneman

Title: Fire Chief

Date: 12/22/11

Parks and Recreation

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2011 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11 to Current Period and Five Year Forecast)

PARKS AND RECREATION

THRESHOLD STANDARD

Population Ratio: three (3) acres of neighborhood and community parkland with appropriate facilities shall be provided per 1,000 residents east of I-805.

The following table compares City of Chula Vista population estimates from previous years with current and forecasted population estimates. Park acreage provided or anticipated to be provided is also identified. Additionally, the table identifies the park acres to population ratio, (acres of parkland provided per 1,000 persons) for the respective review periods.

CITY OWNED PARK ACREAGE Threshold, Forecast, and Comparisons							
Threshold Standard	Area of City	Current (6/30/11)	18-Mth F/cast 12.31.12	5-Year F/cast 2016*	Prior Year Comparisons		
					June 2010	June 2011	June 2012
3 Acres per 1,000 Population East of I-805	East I-805 AC/1,000 persons	3.16	3.05	2.83	3.02	3.16	-
	West I-805 AC/1,000 persons	1.21	1.21	1.23	1.21	1.21	-
	Citywide AC/1,000 persons	2.25	2.21	2.13	2.17	2.25	-
Acres of Parkland	East I-805	418.01	418.01	424.91	390.44	418.01	-
	West I-805	138.76	138.76	142.66	138.76	138.76	-
	Citywide	556.77	556.77	567.59	529.20	556.77	-
Population (based on new benchmark 2010 census)	East I-805	132,357	137,152	149,931	129,307	132,357	-
	West I-805	115,077	115,124	116,195	114,936	115,077	-
	Citywide	247,434	252,276	266,126	244,243	247,434	-
Acre Shortfall or Excess	East I-805	20.94	6.55	(24.9)	2.52	20.94	-
	West I-805	(206.47)	(206.61)	(205.93)	(206.05)	(206.47)	-
	Citywide	(185.53)	(200.06)	(230.79)	(203.53)	(185.53)	-

*Assumes completion of Otay Ranch Village 2 Neighborhood Park P-3 (6.93 acres) and Orange Park (3.9)

GENERAL PLANNING ESTIMATES Chula Vista Population -- East versus West			
Area/Year	2000	2010	2015
East of I-805	64,827	129,307	149,931
West of I-805	118,473	114,936	116,195
Total	183,300	244,243	266,126

Please provide brief responses to the following:

- Pursuant to the Parks Development Ordinance (PDO) and Parks and Recreation threshold, did the eastern Chula Vista parks system have the required parkland acreage (3 acres/1,000 persons) during the period under review? If no, what actions are being taken, or need to be taken, to correct any parkland shortages?**

Yes X No

- Are there adequate parks and facilities to accommodate citywide growth forecasted for the next 12- to 18- months?**

Yes X No

See response to question 8 for information on the citywide situation.

If not:

- How many acres of parks and facilities are needed?**
- Are there sites available for the needed parks and facilities?**
- Is funding available for the needed parks and facilities?**

- Are there adequate parks and facilities to accommodate citywide growth forecasted for the next five years?**

Yes No X

The projected construction of Parks in Village Two will maintain a park supply in Eastern Chula Vista that complies with the City of Chula Vista Parks Development Ordinance (PDO) and Parks and Recreation threshold until the projected five years of this GMOC forecast period at which point a ratio of 2.83 acres per one thousand persons is predicted. The shortfall in acres for Eastern Chula Vista will be 24.9 acres

The reasons for the shortfall are as follows:

- Parkland has been offered for dedication in Otay Ranch Village Two in a timely manner but the City has not accepted IODs and progressed park design where there are some physical issues on the individual sites that developer's have to resolve before the City can commence park development.
- As an initiative to stimulate construction activity during the economic downturn, the City approved a temporary deferment of payment of PAD fees from final map to certificate of occupancy. All park development fees continue to be collected but they are received later in the development process. Receipt of development fees

needs to catch up with receipt of IODs. The rate at which development fees accumulate is slower than before the economic downturn.

- Also a result of the economic downturn the funding available to Public Works for the maintenance of City parks has been less per acre than in previous years. There have been significant cuts in staffing in Public Works and the remaining staff is challenged to maintain the existing parks. This department will only be able to commence maintenance of additional parkland once maintenance budgets improve.

See response to question 8 for information on the citywide situation.

If not:

- How many acres of parks and facilities are needed?** 24.9 acres.
- Are there sites available for the needed parks and facilities?** Yes.
- Is funding available for the needed parks and facilities?** PAD fees, though currently deferred will eventually provide funding.

4. **Are there other growth-related issues you see affecting the ability to maintain the threshold standard as Chula Vista's population increases? If yes, please explain.**

Yes _____ No x

5. **Regarding recreation facilities, how do current hours of service compare to previous years? How have they been affected by budget cuts over the past two years? And what is projected in the future?**

Budget reductions in FY 11 & FY 12 resulted in a 66% reduction in operating hours at all Recreation Centers, the complete elimination of Recreational Swimming periods, a 50% reduction in Adult Lap Swimming periods, and a 60% reduction in available Fitness Center hours. Some operational hours at Recreation Centers and Fitness Centers have been restored by reprioritizing the use of existing resources. Also grants and donations have provided some temporary and short-term recovery of lost hours.

6. **Are parks and recreation facilities, such as gazebos, being leased to the maximum?**

Yes, from the start of April to the end of October reservations ran close to capacity. Approximately 4,948 reservations were made in 2010 and 4,074 in 2011.

7. **What is the status of the Parks & Recreation Master Plan?**

The Draft Parks and Recreation Master Plan update document was presented at a City Council Workshop on December 1, 2011. In response to Council comments received at the workshop, additional edits to the document are being made. The document will be returning to Council for final action in early 2012.

8. **Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.**

The table at the start of this questionnaire indicates that the ratio of park acres to projected population in Eastern Chula Vista will drop below 3 acres/thousand by 2016 unless additional park acres are added. By extrapolating between the 2012 and the 2016 figures, and dependant on the speed of population growth, the actual date when the Eastern Chula Vista dips below 3 acres/thousand will probably be in 2014. This indicates that the City

needs to address this projected situation by seeking remedies to the challenges listed in question #3.

- Seek ways to resolve the physical issues on individual Otay Ranch Village 2 park sites.
- At the end of 2012, when the PAD fee deferral expires return to the collection of PAD fees at final map per chapter 17.10 of the Chula Vista Municipal Code.
- Commence individual park master plan design work in order to expedite park delivery.
- Obtain increased funding for Public Works for maintenance of new parks.

It should be noted that, when the GMOC process began, the inherited situation was that the western part of the City was already built with less than 3 acres per one thousand persons park provision. As a result of this legacy in Western Chula Vista projections are not able to meet the standard of 3 acres per one thousand persons that applies to new development. Since the inception of GMOC the City has exacted park obligations from developers, per the PDO, in the both the eastern and western portion of the City concurrent with development. The Chula Vista Parks & Recreation Master Plan (approved in November 2002 and currently being updated) identifies future park sites and the locations of future facilities Citywide.

In addition to defining development of new park sites and upgrades to existing parks the Master Plan includes a park programming matrix which clearly defines where needed facilities will be located.

The Chula Vista Parks & Recreation Master Plan identifies timing of planned facilities and funding sources. The plan also recognizes that the acreage required to accommodate desired recreation facilities exceeds the total amount of parkland obligations associated with future development. The assignment of needed recreation facilities to non-public park sites, such as future school sites, is necessary to accommodate future demand since the total developer obligated future park acreage is less than the total acres required by demanded facilities.

PREPARED BY:

Name: Mary Radley
Title: Landscape Architect
Date: 2/22/12

Fiscal

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE

Reporting Period: 7/1/10 - 6/30/11, to Current Time, and Five-Year Forecast

FISCAL

THRESHOLD STANDARDS:

1. The GMOC shall be provided with an annual Fiscal Impact Report which provides an evaluation of the impacts of growth on the city, both in terms of operations and capital improvements. This report should evaluate actual growth over the previous 12-month period, as well as projected growth over the next 12-18-month period, and 5-7-year period.
2. The GMOC shall be provided with an annual development impact fee report, which provides an analysis of development impact fees collected and expended over the previous 12-month period.

Please provide brief responses to the following:

1. Please provide an updated Fiscal Impact Report showing an evaluation of the impacts of growth on the city's Operations and Capital. The evaluation should include the following three timeframes:
 - a. The last fiscal year (07-01-10 to 06-30-11);
 - b. The current fiscal year, 2011-2012; and
 - c. What is anticipated in five year's time.

Chula Vista, like many cities throughout the nation, continues to struggle with the impacts of the national recession. The City has experienced significant reductions to its revenue sources. Since 2008, the City has experienced a decline across all major revenue sources including:

- 7% decrease in sales tax receipts
- 14% decrease in property tax receipts
- 23% decrease in franchise fee revenues
- 25% decrease in Transient Occupancy Tax (TOT) revenues
- 13% decrease in Motor Vehicle License Fees (MVLFF) revenues
- 56% decrease in Utility Users Tax (UUT) revenues

In total, major discretionary revenues in the General Fund have dropped from a high in fiscal year 2007-08 of \$97.1 million to an estimated \$81.5 million in fiscal year 2011-12, a loss of 16%.

In an effort to keep expenditures in line with declining revenues, the City Council has approved several budget balancing plans. As a result of the City Council's decisive actions to reduce expenditures and the cooperation of the City's bargaining groups, the City has been able to end each of the last three fiscal years without negatively impacting the General Fund reserves. Budget reductions have impacted all departments in the City's General Fund, the Redevelopment (RDA) and Housing funds, Fleet fund, and Development Services fund (DSF).

The fiscal challenges the City has faced over the last five years are the result of the significant issues surrounding the housing market, the slowdown in the overall economy, and the loss of Telecommunications Users Tax (TUT) revenues as a result of the November 2, 2010 election (Proposition H). Specific growth-related impacts are not easily discernible from these general economic impacts.

a. Fiscal Year 2010-11 (Last Fiscal Year)

As part of the development of the fiscal year 2010-11 budget, the Five-Year Financial Forecast for fiscal years 2010-11 to 2014-15 was developed. The goal of the Five-Year Financial Forecast is to assess the City's ability over the next five years to continue current service levels based on projected growth, preserve our long-term fiscal health by aligning operating revenues and costs, and rebuild reserves. The Forecast serves as a tool to identify financial trends, shortfalls, and issues so the City can proactively address them.

The Five-Year Financial Forecast for fiscal years 2010-11 to 2014-15 reflected a balanced budget for fiscal year 2010-11, but identified an ongoing structural imbalance in the General Fund for fiscal years 2011-12 through 2014-15. The fiscal year 2010-11 balanced budget reported in the Five-Year Forecast relied upon the use of sizeable one-time revenues. All budgets developed since 2007 have reflected significant revenue shortfalls and budget reductions intended to be ongoing solutions. Unfortunately, as revenues continued to deteriorate, additional reductions were needed. The use of one-time revenue in the fiscal year 2010-11 budget allowed the City to better assess the "new normal" for revenues and develop a long-term budget balancing plan.

The City recently closed the books for fiscal year 2010-11. Despite continued economic challenges, the City was able to increase General Fund reserves from \$10.2 million to \$11.4 million. Overall, the City's General Fund Reserves are now at 9%, their highest level since 2006.

b. Fiscal Year 2011-12 (Current Fiscal Year)

For fiscal year 2011-12, the Five-Year Forecast identified a projected General Fund deficit of \$12.5 million. This deficit later grew to \$19.6 million with updated revenue and expenditure projections, including the failure of Proposition H.

The fiscal year 2011-12 budget represents the fifth consecutive budget that has required expenditures reductions in order to keep expenditures in line with declining revenues. As part of the development of the fiscal year 2011-12 budget, a total of 88.0 positions were eliminated from the budget. This reduction in staffing resulted in reductions in all service areas. Some of the major service reductions implemented in fiscal year 2011-12 include:

- Eliminated graffiti abatement crews
- Reduced hours of operation at Library branches
- Reduced hours of operation at Recreation centers
- Reduced staffing on the Police Street Team
- Eliminated permanent Park Ranger staffing
- Eliminated Tree trimming staffing; limited services provided on a contractual basis
- Reduced School Resource Officer staffing
- Reduced custodial services for all City facilities
- Eliminated recreational swimming hours
- Reduced free programming at Recreation Centers
- Reduced books and materials budget for Library branches by 86%

A preliminary update of the Five-Year Financial Forecast was completed and considered as part of the development of the fiscal year 2011-12 budget. The following are key assumptions used in the development of the preliminary Five-Year Financial Forecast:

- Modest economic recovery (property tax 2%, sales tax 3%, transient occupancy tax 2%)
- No salary savings from attrition
- RDA loan repayments averaging \$1.5 million per year
- Health care increases of 10% per year
- Reflects salary increases for Police Officers Association & International Association of Fire Fighters per MOU agreements
- No salary increases beyond existing MOU agreements
- No revenues or expenditures budgeted for UUT wireless revenues
- Projected pension cost increases per CalPERS
- No additional state takeaways or revenue swaps
- No new positions
- Final payment of the 1994 Pension Obligation Bonds

c. Five Year Forecast

The following table represents the preliminary Five-Year Financial Forecast for fiscal years 2011-12 through 2015-16. It reflects the budget-balancing plan that was implemented in January 2010 to address the projected deficit for fiscal year 2011-12 through structural changes. As noted in the table below, the forecast indicates that there is a deficit for the out-years, though at a significantly reduced level when compared to previous forecasts. Staff continues to monitor economic trends and recommend adjustments as needed.

Additional significant service impacts are not anticipated based upon the Preliminary Five-Year Financial Forecast.

Preliminary Five-Year Financial Forecast (in millions)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Actual	Projected	Proposed	Forecast	Forecast	Forecast	Forecast
Ongoing Revenues	\$ 126.8	\$ 121.7	\$ 121.2	\$ 122.5	\$ 125.0	\$ 127.5	\$ 130.4
One-Time Revenues	\$ 4.0	\$ 9.6					
Total Revenues	\$ 130.8	\$ 131.3	\$ 121.2	\$ 122.5	\$ 125.0	\$ 127.5	\$ 130.4
Expenditures	\$(129.9)	\$ (128.9)	\$ (123.6)	\$ (123.4)	\$ (127.1)	\$ (129.1)	\$ (131.6)
Economic Contingency Reserve		\$ (2.4)	\$ 2.4				
Surplus/ (Deficit)	\$ 0.9	\$ -	\$ -	\$ (0.8)	\$ (2.2)	\$ (1.6)	\$ (1.1)

Notes:

1. The forecast represented above reflects the projected expenditures and revenues for fiscal year 2010-11 as reported in the Third Quarter Financial Report
2. The Fiscal Year 2011-12 Proposed Budget reflects the City Manager's Proposed Budget, as presented at the 6/21/11 Council meeting. The Council adopted budget differs from the proposed budget presented above.

A full update of the Five-Year Financial Forecast report is currently being prepared and will be presented to City Council in conjunction with the Recovery and Progress Plan, currently scheduled for January 2012. The Recovery and Progress Plan is intended to guide decision making when considering short-term and long-term resource allocation. If schedules allow, staff will provide the GMOC with a copy of the updated Five-Year Financial Forecast during the 2012 questionnaire review process.

2. According to the updated Fiscal Impact Report, how is the city's current fiscal health, and what are the primary growth-related fiscal issues facing the city?

Chula Vista, like many cities throughout the nation, continues to struggle with the impacts of the national recession. The City has experienced significant reductions to its revenue sources. In total, major discretionary revenues in the General Fund have dropped from a high in fiscal year 2007-08 of \$97.1 million to an estimated \$81.5 million in fiscal year 2011-12, a loss of 16%.

Through these economic challenges, the City has responded with the necessary actions to stabilize the City's finances and has positioned itself to better weather future economic downturns. Over the last few years, the City has:

- Stabilized and maintained operating reserves
- Adopted a new reserve policy that increases the operating reserve goal from 8% to 15% and establishes two new reserve funds – Economic Contingency Reserve and Catastrophic Event Reserve
- Maintained A- bond rating, which indicates that Chula Vista has a stable financial outlook
- Implemented comprehensive pension reform for current and future employees
- Maintained the majority of core services

At this time, as a result of the significant slowdown in development, we do not anticipate fiscal issues resulting from new development. The fiscal challenges the City has faced over the last five years are the result of the significant issues around the housing market, the slowdown in the overall economy, and the loss of TUT revenues as a result of the November 2, 2010 election (Proposition H).

3. Given the city's budget constraints, will you be able to continue to maintain current and projected level of service consistent with the threshold standards?

The City's current and projected service levels are determined by both the resources available and the efficient application of those resources.

As summarized in the Preliminary Five-Year Financial Forecast table provided on page 3, significant General Fund deficits are not anticipated through fiscal year 2015-16. If future revenues and expenditures are consistent with the forecast, the City will be able to maintain current service levels.

In fiscal year 2011-12, the City is focusing on three new initiatives. These initiatives support the development of additional resources and the efficient use of existing and new resources. The three initiatives are:

- Implementation of the Continuous Improvement/Lean program – components of this program include:
 - Determining appropriate service levels
 - Developing departmental staffing analysis plans
 - Continuing to identify and implement efficiency measures
 - Further developing public/private and public/public partnerships
- Development of a Recovery & Progress Plan – the development of this plan will help the City consider short-term and long-term resource allocation. One of the components of this plan includes development of a long term financial plan that will identify and help determine a strategy for addressing deferred maintenance and equipment replacement.
- Renewed focus on Economic Development – during fiscal year 2010-11 the City Manager reorganized Conservation and Environmental Services and reassigned

the Director of Conservation and Environmental Services to be the Director of Economic Development. This position will focus on short-term and mid-term initiatives that will support the financial stability of the City. In acknowledgement of the need for marketing in the City's economic development success, the fiscal year 2011-12 budget included the creation of a new Marketing & Communications position, which is funded out of cable and other communications revenues.

In the current fiscal year the City anticipates a modest recovery in the local economy. The City of Chula Vista has been financially challenged over the last few years and there are many competing priorities as City revenues begin to grow. Implementation of the Continuous Improvement/Lean program, development of a Recovery and Progress Plan, and a renewed focus on economic development will help the City focus its resources in the most cost effective manner. This focus on efficient use of resources supports optimum service levels.

4. What are the potential implications of a sustained building decline to the city's fiscal health and the ability to maintain threshold standards?

The building decline has negatively impacted the City's finances over the last five years. As development has slowed, the City has experienced a significant reduction in development processing/review revenues. In order to offset these revenue shortfalls, the City has made significant reductions in the General Fund and Development Services Fund operating budgets. These reductions were intended to bring staffing and expenditures into alignment with reduced workload and revenues resulting from the slowdown in development activity. To the extent possible, the City has attempted to limit service level impacts resulting from these cuts.

In addition to impacts to the City's fiscal health resulting from reduced development processing and review, a sustained building decline could result in additional service impacts in all General Fund service areas. The downturn in development activity over the last few years created cash flow challenges in the City's Public Facilities Development Impact Fee (PFDIF) fund. The PFDIF program has significant external debt service obligations. This debt is associated with construction and renovation of large facilities, including the City's Corporation Yard, Police Facility, and Civic Center. The General Fund is the guarantor of the PFDIF debt, and if the PFDIF is unable to meet its obligations, the General Fund must provide the funding. There are not sufficient General Fund revenues to absorb any such cost, and additional budget cuts (with associated service impacts) would be necessary. In an effort to protect the General Fund from this risk, the City has extended interfund loans to the PFDIF and restructured the PFDIF's external debt obligations.

In fiscal year 2008-09, the City Council authorized an interfund loan from the TDIF to the PFDIF in the amount of \$5.2 million. This loan amount was sized to meet the debt service obligation of the PFDIF for a single fiscal year. An additional \$5.3 million interfund loan from the TDIF to the PFDIF was authorized in the fiscal year 2009-10 budget, increasing the interfund loan total to \$10.5 million. The use of interfund loans was recommended because of the interest rate environment and the uncertainty surrounding the municipal credit market at that time. In addition, the interfund loans provided the City with an opportunity to restructure the PFDIF's external debt obligations, with the objective of creating cash flow relief to meet debt obligations over several years.

The objective of PFDIF cash flow relief was achieved through the issuance of the 2010 Certificates of Participation (COPs). This debt issuance included two components: restructuring the previous 2000 COPs (issued for the construction of the Corporation Yard)

and the issuance of new debt for the final phase of Civic Center construction. The restructuring of the 2000 COPs extended the term of the debt, decreasing the PFDIF annual debt payment. The new debt issuance reimbursed the PFDIF for project costs previously paid using cash-on-hand. The proceeds of the new debt issuance were then used to pay the PFDIF's remaining external debt obligations (Police Facility, Civic Center Phase I, and Civic Center Phase II COPs). Overall, the 2010 COP provided sufficient cash flow relief to meet the PFDIF's updated debt obligations through fiscal year 2011-12. Based on fees collected in recent fiscal years, and conservative development projections, staff anticipates the PFDIF will meet its external debt obligations through fiscal year 2016-17, as summarized in the table below.

PFDIF Projected Cash Flow

	FY 2010-11 Actual ⁵	FY 2011-12 Projected	FY 2012-13 Projected	FY 2013-14 Projected	FY 2014-15 Projected	FY 2015-16 Projected	FY 2016-17 Projected
Debt Service Reserve¹	(585,490)	3,461,224	5,403,684	4,790,440	2,530,040	1,133,404	619,383
<u>Revenues</u>							
Investment Earnings	(8,849)						
DIF Fee Revenue ²	4,208,202	1,993,500	3,101,000	3,987,000	4,873,000	5,759,000	5,759,000
Total Revenues	4,199,353	1,993,500	3,101,000	3,987,000	4,873,000	5,759,000	5,759,000
<u>Expenditures</u>							
COP Debt Service ³	(19,636)		(3,663,204)	(6,196,360)	(6,269,636)	(6,273,021)	(6,276,063)
CIP & Non-CIP Exp.	(133,003)	(51,040)	(51,040)	(51,040)			
Total Expenditures	(152,639)	(51,040)	(3,714,244)	(6,247,400)	(6,269,636)	(6,273,021)	(6,276,063)
Debt Service Reserve	3,461,224	5,403,684	4,790,440	2,530,040	1,133,404	619,383	102,320
<u>Fee Paying Residential Development Units⁴</u>							
	844	225	350	450	550	650	650

Notes:

- ¹ Does not include debt service reserve funds held with fiscal agent or deferred revenues, both of which are available to meet debt service obligation. The Debt Service Reserve variance from the audited fund balance for the PFDIF provided on page 7 is the result of deferred revenues (PFDIF prepayment program).
- ² Actual FY 2011-12 DIF fee revenues as of 11/15/2011 total \$1.2 million; FY 2011-12 through FY 2016-17 revenues reflect projected fee paying multi-family residential development.
- ³ FY 2010-11 through FY 2012-13 COP payments reflect application of bond proceeds from 2010 Refunding COP and available balance of COP debt service funds.
- ⁴ FY 2010-11 actual building permits issued: 352 single family + 492 multi-family; FY 2011-12 through FY 2016-17 reflects projected fee paying multi-family residential development.
- ⁵ FY 2010-11 actual DIF fee revenues do not mathematically tie to fee paying residential development units. This disconnect is the result of fee deferral programs (fees not collected at building permit issuance).

As shown in the above cash flow projection, the PFDIF is anticipated to meet its external debt obligations through fiscal year 2016-17 without impacting the General Fund. This projection assumes modest increases in development activity over the next six years (average of 480 multi-family building permits per year). Beyond that point, an average of 710 multi-family building permits must be issued annually in order to generate sufficient fee revenues to meet the PFDIF's external debt obligation. In fiscal year 2010-11, the City issued 844 residential building permits (352 single-family and 492 multi-family). As of November 2011, the Finance Department projects a total of 700 residential building permit issuances for calendar year 2011.

The residential development activity assumed in the above PFDIF cash flow projection is significantly below the residential permits projected in the '2011 Annual Residential Growth Forecast' report prepared for the GMOC. In order to understand the worst-case scenario of possible impacts to infrastructure and service delivery resulting from development, it is more conservative to assume the maximum possible development activity. In contrast, the worst-case scenario for PFDIF cash flow purposes results from reduced development

activity. For this reason, the PFDIF cash flow projection assumes significantly lower development levels than the 2011 Growth Forecast document.

It is important to note that the above cash flow projection does not reflect any repayment of the interfund loans from the TDIF (total debt of \$10.5 million). If sufficient PFDIF revenues are collected as a result of additional development those funds would be available to begin repaying this debt. Failure of the PFDIF to repay this debt in a timely manner may result in delays in TDIF project construction. Any such delays would be to projects constructed by the City, using DIF funds collected. The outstanding PFDIF debt does not impact projects constructed by developers in exchange for TDIF credits. If project delay was not possible, and PFDIF funds were not available, the General Fund could repay the TDIF on the PFDIF's behalf. Any such decision would be considered in the context of citywide competition for financial resources and would likely impact other service delivery areas.

5. Please update the Development Impact Fee (DIF) table below for the period under review.

DEVELOPMENT IMPACT FEE OVERVIEW (7/1/10 – 6/30/11)							
DIF FUND	CURRENT DIF *	During Reporting Period		FUND BALANCE (Audited)	Date DIF Last Comprehensively Updated	Date of Last DIF Adjustment	Next Scheduled DIF Update
		Amount Collected	Amount Expended **				
TRANSPORTATION	11,317/EDU	2,384,576	2,396,839	25,704,468	Dec 2005	Oct 2011	Oct 2012
WESTERN TDIF	3,243/EDU	7,429	16,488	181,156	March 2008	Oct 2011	Oct 2012
TRAFFIC SIGNAL	31.80/trip	360,390	752,641	3,315,821	Oct 2002	Oct 2011	Oct 2012
TELEGRAPH CANYON DRAINAGE	4,579/acre	62,105	2,194	6,066,942	April 1998	N/A	Unscheduled
TELE. CANYON GRAVITY SEWER	216.50/EDU	12,661	60,000	3,198,682	Sept 1998	N/A	Unscheduled
SALT CREEK SEWER BASIN	1,330/EDU	425,560	63,077	1,664,411	Aug 2004	N/A	Unscheduled
POGGI CANYON SEWER BASIN	265/EDU	96,628	552	2,107,673	June 2009	N/A	Unscheduled
PEDESTRIAN BRIDGES							
Otay Ranch Villages 1, 5 & 6	1,114/SFDU	258,739	100	269,759	Feb 2007	N/A	Unscheduled
Otay Ranch Village 11	2,170/SFDU	422,379	1,053	2,797,316	Sept 2005	Oct 2011	Oct 2012
PUBLIC FACILITIES							
Administration	563/SFDU	414,663	0	3,328,881	Nov 2006	Oct 2011	Oct 2012
Civic Center Expansion	2,458/SFDU	975,712	0	9,289,435	"	"	"
Police Facility	1,565/SFDU	626,862	0	(1,700,408)	"	"	"
Corp. Yard Relocation	421/SFDU	161,823	83,447	2,435,186	"	"	"
Libraries	1,413/SFDU	838,839	0	9,399,669	"	"	"
Fire Suppression Systems	1,243/SFDU	518,495	0	(11,997,919)	"	"	"
Recreation Facilities	1,072/SFDU	662,957	0	(5,616,124)	"	"	"
PUBLIC FACILITIES TOTAL		4,199,351	83,447	5,138,720***	Nov 2006	Oct 2011	Oct 2012

*Equivalent Dwelling Unit (EDU) shown. Fee varies by type of residential unit, and for commercial and industrial development – see various fee schedules included in Attachment 1.

**On a separate sheet of paper list the projects to be funded and/or completed over the next twelve months.

***Public Facilities DIF Balance is reserved for debt service payments (Debt Service Reserve). Funds are not available for project expenditures.

For each of the DIF funds:

- a. Are the available funds adequate to complete projects needed in the next 12 to 18 months? If the funds are inadequate, is the city able to borrow necessary funds to complete the projects?**
- b. Are the available funds adequate to complete projects needed in the next five years? If the funds are inadequate, is the city able to borrow necessary funds to complete the projects?**

Adequacy of Funds

Under normal circumstances, additional revenues are received by DIF funds in times of development. These funds are then available to mitigate the impacts of the development paying the fees. This timeline is impacted by the need to construct large facilities, such as the civic center complex, police facility, and fire stations in advance of development.

DIF projects are constructed via three financing scenarios:

- Cash-on-hand
- External debt financing
- Developer construction

If a facility is constructed or acquired using cash-on-hand, the fund provides direct financing using developer fees. This means of project financing has the greatest short term impact upon fund balance and avoids financing costs.

If the project is constructed via external debt financing, the fund does not directly finance the project, but instead makes debt service payments over a given period of time. As development occurs, their DIF fees go to repaying these debt obligations. This means of project financing has the smallest short term impact on fund balance. The financing costs incurred in securing external financing increase overall project costs, and thereby increase the fees charged to developers. As DIF funds are unable to guarantee debt, all DIF debt obligations are secured by the City's General Fund. The recent slowdown in development activity has significantly reduced the fees collected by the program, impacting the City's ability to meet these debt obligations. This issue is discussed in greater detail in the 'Ability to Borrow Funds' section of this response.

In the instance of developer construction, the required facilities are constructed by the developer in exchange for a credit against their fee obligation. In this scenario, no fees are received by the City. The majority of Eastern Transportation Development Impact Fee (TDIF) projects are constructed in this manner. For these projects, the Eastern TDIF's fund balance has a negligible impact on the timing of project construction.

A new factor impacting the timing relationship between development and the construction of facilities is the City's 'Development Processing and Impact Fee Deferral Program'. The program was proposed in light of the economic downturn, with the intent of stimulating development. In December 2008, the City Council adopted Ordinance 3120, establishing a payment plan program for certain development fees (Attachment 2). In April 2009, the City Council adopted Ordinance 3126, expanded the program to include the deferral of Park Acquisition and Development Fees (Attachment 3). In August 2010, the City Council adopted Ordinance 3163, further amending the fee deferral program to allow the payment of

fees at building permit final inspection, rather than at building permit issuance (Attachment 4). This ordinance included a December 31, 2011 sunset. In November 2011, the City Council adopted an ordinance extending the deferral program for an additional year, to December 31, 2012, at which time the fees will revert back to their traditional triggers: building permit issuance or final map approval (Attachment 5). The only exception to the December 31, 2012 sunset is the Eastern Urban Center (EUC)/Millennia project. This project will be eligible to defer impact fees to occupancy through the term of the project, with no set expiration date.

Cash flow impacts of the fee deferral program are difficult to determine. For every building permit which defers fees to final inspection, receipt of development impact fee revenues are also deferred, reducing short term revenues. Conversely, according to the development community (and anecdotal evidence), if the fee deferral program were not in place, we would not be issuing as many building permits, also reducing short term revenues. The relative success of this program can be seen in the \$4.2 million in PFDIF revenues collected in fiscal year 2010-11.

For each of the funds, the available fund balance as of June 30, 2010 is listed on the Development Impact Fee Overview table on page 7. The adequacy of these funds to complete projects necessitated by either the 12-to 18-month or the 5-year forecasted growth will be determined by a number of factors including the actual rate of development (likely to fall significantly below the rate of development projected in the GMOC Forecast Report); and other fund obligations. These other obligations include debt service, capital acquisitions, and program administration costs.

In addition to these obligations, the City has created a debt service reserve in the PFDIF fund, which has a significant future debt service obligation. The creation and anticipated use of this debt service reserve is shown in the 'PFDIF Projected Cash Flow' included on page 6 of this report. Based upon the Finance Department's development projections, as shown in the PFDIF cash flow, this reserve may be significantly underfunded by the end of fiscal year 2016-17. Ultimately, this debt service reserve should be funded at a level sufficient to meet the PFDIF's debt service obligation for a single fiscal year. This reserve will mitigate the impacts of future swings in the development market on the PFDIF's ability to meet its debt service obligations. The funding of this debt service reserve will further reduce the funds available for project expenditures in the near future.

Ability to Borrow Funds

The only development impact fee program which has historically borrowed funds outside the City is the Public Facilities Development Impact Fee (PFDIF). As detailed in the table on page 7, the PFDIF ended fiscal year 2010-11 with a \$5.1 million fund balance. As a result of the debt restructuring plan implemented by the City in 2010, the PFDIF is anticipated to meet its debt obligations without impacting the General Fund through fiscal year 2016-17, as shown in the 'PFDIF Projected Cash Flow' included on page 6. At that time, the fund will be reviewed to determine if any additional cash flow relief is necessary.

Prior to the debt restructuring, the PFDIF had an annual debt service obligation of approximately \$5.2 million annually. The restructuring resulted in increased debt payments in the future of approximately \$1.1 million annually for a total annual debt payment of \$6.3 million.

In addition to its external debt obligations, the PFDIF fund must begin repayment of two interfund loans from the Eastern TDIF as soon as practical, in order to avoid impacts to TDIF project timing. The TDIF loaned the PFDIF \$5.2 million in fiscal year 2008-09 and an additional \$5.3 million in fiscal year 2009-10, for a total of \$10.5 million in interfund loans. These loans were necessary for the PFDIF to meet its external debt obligation while the City pursued restructuring the PFDIF's debt.

The PFDIF's annual payment to repay the \$10.5 million in interfund loans from the TDIF is projected to range from \$0.4 million to \$1.1 million, with an average payment of \$1.0 million over a 10-year repayment period. The actual annual debt payment will vary depending on the repayment period (may be greater than 10 years if available fund are insufficient) and the City's pooled interest rate. When combined with the annual external debt obligation of \$6.3 million, a \$1.1 million annual internal debt obligation results in a total annual debt obligation of \$7.4 million. Minimum development activity required to meet the PFDIF's internal and external debt obligations is summarized in the table below.

PFDIF Annual Debt Obligation, Minimum Development Required

Description	Average Annual Payment	Minimum Building Permit Activity (Multi-Family)
External Debt	\$ 6,300,000	710
Internal Debt	\$ 1,100,000	130
Total	\$ 7,400,000	840

Based upon existing debt obligations, the City will not seek financing to construct additional facilities in the near future. It is also important to note that the General Fund guarantees all PFDIF debt. If the PFDIF is unable to meet its debt obligations, the obligation shifts to the General Fund. In light of the recent challenges in the General Fund, this additional risk is not advisable at this time. In the future, as economic conditions continue to change, the appropriateness of financing additional facilities will be reviewed.

- c. In the table below, please indicate whether the existing DIF fund is adequate or needs to be revised.

DIF FUND	ADEQUATE / REVISE
TRANSPORTATION	ADEQUATE
TRAFFIC SIGNAL	ADEQUATE
TELEGRAPH CANYON DRAINAGE	ADEQUATE
TELE. CANYON GRAVITY SEWER	ADEQUATE
SALT CREEK SEWER BASIN	ADEQUATE
POGGI CANYON SEWER BASIN	ADEQUATE
PEDESTRIAN BRIDGES	ADEQUATE
Otay Ranch Villages 1, 5 & 6	
Otay Ranch Village 11	
PUBLIC FACILITIES	REVISE
Administration	
Civic Center Expansion	

DIF FUND	ADEQUATE / REVISE
Police Facility	
Corp. Yard Relocation	
Libraries	
Fire Suppression Systems	
Recreation Facilities	

6. Please provide a comprehensive list, through build-out, of the PFDIF-funded facilities that remain to be constructed, and estimated date of delivery.

There are five (5) major facilities planned for construction using PFDIF funds. These projects are as follows (listed in order of construction priority):

1. Rancho del Rey Library
2. EUC Fire Station
3. EUC Library
- 4./5. Otay Ranch Village 4 Aquatics Center & Recreation Facility

In light of current budgetary constraints resulting from the economic downturn, the City's ability to staff and operate these facilities is very limited in the short term. Prior to staffing any new facilities, the City will likely seek to restore services at existing facilities. Once the staffing/operational budgetary issues are addressed, the construction of the facilities themselves will be a function of the PFDIF's available fund balance (taking into account existing debt obligations and the need to fully fund the debt service reserve).

7. Based on City Council's acceptance of the 2011 GMOC Annual Report at the joint workshop in April 2011, please attach a copy of the PFDIF priorities policy.

No PFDIF priority policy has been developed by staff or presented to the City Council. At the joint workshop in April 2011, the Council accepted the alternative recommended in staff's response, as modified at the meeting by the City Manager (Minutes included as Attachment 6, see page 3 for discussion of fiscal threshold).

2011 GMOC Fiscal Threshold Recommendation:

That, within 90 days of the date of this report, the City Council agendaize for a Council meeting action to decide whether or not to adopt a PFDIF prioritization policy or other appropriate mechanism for construction or delivery of the remaining facilities in the PFDIF fund.

Staff Response (City Manager modification underlined):

Staff recommends that a new approval process for the construction of the PFDIF facilities be implemented. This process would require that PFDIF capital projects be brought forward to Council for authorization to proceed prior to significant expenditure of project funds (project design, land acquisition, etc.). At that time, a list of other PFDIF eligible projects would be presented to Council, along with staff's justification for moving forward with the proposed project, and the extent to which project implementation will affect the delivery of other PFDIF facilities and any related affects to growth management threshold compliance.

Per the City Council's direction, staff plans to implement the new 'authorization to proceed' process with the next PFDIF project recommended for construction. No new facilities are anticipated in the near-term.

8. What is the amount of debt service for this year compared to last year?

Fiscal year 2010-11 all funds actual debt service expenditures totaled \$12.8 million. The fiscal year 2011-12 debt service expenditure budget totals \$12.9 million, an increase of \$100,000, or 0.6%.

Please note, the above figures reflect the following assumptions:

- Includes bonded debt
- Excludes equipment leases
- Excludes interfund loan repayments
- Includes principal, interest and arbitrage payments
- Includes monies expended by the trustee and directly out of City funds
- Includes debt service expenditures for all City funds, including General Fund, PFDIF, and Residential Construction Tax (RCT)

9. Please state the city's debt service payment policy and indicate how future DIF amounts would be affected by interest paid on debt service in excess of the original DIF planned amounts.

The City does not have a debt service payment policy. Bond covenants for the individual debt issuances detail the terms of the obligation.

Via the comprehensive fee update process, unanticipated financing costs are included in the calculation of the various DIF fees. These additional costs result in higher DIF fees.

10. Are PAD fees adequate to construct necessary parks?

All residential development in the City (including hotels/motels) pays a PAD fee to fund acquisition and development of parkland. The development portion of the PAD fee is tied to an inflationary index with annual adjustments occurring each October. The index ensures that the development fees collected keep pace with the cost of constructing facilities. Both the development and acquisition components of the fee will be reviewed in the next comprehensive update of the PAD program (currently unscheduled).

While adequate mechanisms are in place to ensure the City collects sufficient fees to acquire and develop parkland, there are some issues related to the availability of these funds that should be noted. As mentioned in staff's response to #1 on this questionnaire, the City applied one-time revenues to balance the General Fund budget in fiscal year 2009-10. The majority of these one-time revenues (\$9.6 million) were the result of the Redevelopment Agency repaying an outstanding debt owed to the General Fund. The Agency generated the \$9.6 million used to repay the City by selling parkland to the PAD fund.

At a March 2, 2010 joint meeting, the City Council and the Redevelopment Agency approved the purchase of a 14.25-acre site from the Agency using PAD funds totaling \$9.6 million. The City has worked to identify potential suitable park sites in western Chula Vista, generally identified in the 2005 General Plan Update and the 2007 Draft Park and Recreation Master Plan. The property sold by the Agency to the PAD fund is one of the locations identified as being a suitable park site, and is a large step toward meeting the City's goal of providing 3 acres of parkland per 1,000 residents citywide. The property is now referred to as Lower Sweetwater Community Park.

The resolution adopted that evening also authorized a \$9.6 million interfund loan between the Eastern PAD fund and the Western PAD fund. The Lower Sweetwater Community

Park will serve and be funded by future western Chula Vista residents, including residents of the Urban Core Specific Planning Area. As a result, the PAD fund has not yet collected sufficient funds from the development in western Chula Vista to finance the purchase of the park site. It was therefore necessary to internally borrow the funds from the eastern PAD fund (monies collected for the 60 Acre Otay Ranch Community Park). The internal loan will be repaid as funds become available, either as a result of credit acquisitions by the Redevelopment Agency or the payment of PAD fees by developers in western Chula Vista. The Agency will ensure that PAD funds are repaid to fully fund the development of the park for which they were originally collected.

The staff report and resolution approving the site purchase and interfund loan are included as Attachment 7.

An additional interfund loan from the Eastern PAD to the Western PAD in the amount of \$310,000 was authorized by the City Council at its December 6, 2011 meeting. The loan funds will be combined with the Western PAD fund's available balance of \$630,000 (unaudited estimate, as of November 2011) to finance the \$940,000 purchase of 1.89-acre parcel located in the Chula Vista Auto Park. The 1.89-acre parcel in the Auto Park will be exchanged for a 1.89-acre parcel located adjacent to the 14.25-acre Lower Sweetwater Community Park site purchased per the March 2010 Council action and \$9.6 million loan from the Eastern PAD to the Western PAD. The PAD interfund loans and related parkland acquisition are summarized in the table below.

PAD Interfund Loans, Park Site Acquisition

Loan Approved	Loan from East to West PAD	Western PAD Funds Applied	Purchase Price	Park Acreage Acquired
March 2010	\$ 9,600,000	\$ 0	\$ 9,600,000	14.25 acres
December 2011	\$ 310,000	\$ 630,000	\$ \$940,000	1.89 acres
Total	\$ 9,910,000	\$ 630,000	\$ 10,540,000	16.14 acres

Unlike the original \$9.6 million interfund PAD loan, the \$310,000 December 2011 loan is not secured by the Redevelopment Agency. The repayment schedule will vary based upon the rate at which PAD fee paying development occurs in western Chula Vista. As Western PAD funds are collected, the first priority for the use of the funds will be the repayment of this loan. Slow development may impact the ability of the Western PAD fund to repay the Eastern PAD fund, potentially impacting the timing of Eastern PAD project construction.

The interest rate applied to the outstanding loan balance will be based upon the City's pooled interest rate (currently 0.385%). Assuming a 10-year repayment schedule and the current pooled interest rate, the annual debt payment from the Western PAD to the Eastern PAD would total \$31,660. In order to meet this annual debt service obligation, the City would have to collect PAD fees from four to five residential units each year, depending on the land use classification of the units permitted.

In addition to the authorization for the \$310,000 PAD interfund loan, the purchase of the 1.89-acre parcel in the Auto Park, and the exchange of the Auto Park parcel for the 1.89-acre Lower Sweetwater Community Park parcel, this Council action also authorized an option agreement to exchange a 9.3-acre City owned parcel adjacent to the SR-125 and Eastlake Drive for a 3.94-acre parcel located adjacent to the Lower Sweetwater Community Park site.

The staff report and resolution approving the site purchase and interfund loan are included as Attachment 8.

11. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

None.

ATTACHMENTS:

1. Fiscal Year 2010-11 Financial Schedules for all DIFs
2. Ordinance 3120, Establishing the Development and Processing Impact Fee Payment Plan Program
3. Ordinance 3126, Amending the Chula Vista Municipal Code to Facilitate to Deferral of In-Lieu Park Fees
4. Ordinance 3163, Modifying the Fee Deferral Program
5. November 2011 Ordinance, Modifying the Fee Deferral Program
6. April 7, 2011 Minutes of a Joint Workshop of the City Council, Planning Commission, and Growth Management Oversight Commission of the City of Chula Vista
7. March 2, 2010 Report and Resolution on Purchase of Lower Sweetwater Community Park Site and Interfund Loan
8. December 6, 2011 Report and Resolution on Purchase of Auto Park Site, Exchange for Lower Sweetwater Community Park Parcel, and Interfund Loan

PREPARED BY:

Name: Maria Kachadoorian
Title: Finance Director/ Treasurer

Name: Karim Galeana
Title: Senior Accountant

Name: Tiffany Allen
Title: Treasury Manager

Date: December 12, 2011

SCHEDULE 1
TRANSPORTATION DEVELOPMENT IMPACT FEES (TDIF)
FY 10/11 REVENUES AND EXPENDITURES

Description of Fee: To finance the construction of traffic and transportation improvements in support of future development.

Amount of the Fee:	\$	11,317	per single family equivalent dwelling unit detached
		9,054	per single family equivalent dwelling unit attached (med density)
		6,791	per multi-family equivalent dwelling unit
		181,074	per general commercial gross acre
		90,542	per industrial gross acre

FY 10/11 FUND BALANCE INFORMATION:

FUND 591
TRANSPORTATION DIF

Beginning Balance, 07/01/10	\$ 25,716,731
TDIF Fees Collected	2,239,280
Transportation State Share	-
Interest Earned	145,296
Miscellaneous Revenues	-
Forgiveness of debt	-
Transfer-In	-
Expenditures:	
Supplies & Services	(7,935)
City Staff Services	(168,370)
SR-125 DIF Refunds (2007-182)	-
Debt Payment - Calase Fiscal Sys	-
Transfer-Out - 2003 Refunding COP	-
CIP Project Expenditures	<u>(2,220,534)</u>
Unaudited Ending Balance, 06/30/11	<u><u>\$ 25,704,468</u></u>

SCHEDULE 1.1
TRANSPORTATION DEVELOPMENT IMPACT FEES (TDIF)
FY 10/11 REVENUES AND EXPENDITURES

FY 10/11 CIP EXPENDITURES:

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>PROJECT EXPENDITURES</u>	<u>Total Appropriation as of 6/30/11</u>	<u>Future Appropriations</u>	<u>% Of Project Funded by TDIF</u>	<u>Initially Scheduled</u>
OP220	Global Positioning Virtual Refrn Station	\$ 17,268	17,500	-	70.00%	2011
OP206	Automation - AutoCAD Upgrade	28,951	30,000	15,000	50.00%	2010
OP208	CIP Mngmnt & Equipment Purchase	17,430	75,000	-	41.70%	2009
GG183	GIS-Orthophotography/Topograph	20,000	80,370	-	25.37%	2003
STL261	Willow St Bridge Widening	66,019	1,087,740	350,000	9.62%	1999
STM331	98 E. Orange Extension	6,307	3,959,904	-	100.00%	1999
STM355	Otay Lakes Road Widening, East H to Canyon	1,764,189	5,400,000	1,500,000	100.00%	2003
STM357	Rock Mtn Rd - Heritage to La Media	10,596	232,000	-	100.00%	2004
STM359	Rock Mtn Rd - SR125 Overpass	7,597	300,000	-	100.00%	2010
STM364	Heritage Road Bridge Reconstrc	2,099	1,820,000	2,120,000	52.00%	2007
TF274	Traffic Count Stations	249,221	420,000	-	91.30%	2002
TF325	Transportation Planning Program	10,837	220,000	100,000	56.40%	2007
TF355	I805 Corridor Imprv. Arterial Ops	12,419	50,000	-	66.70%	2010
TF364	TDIF (Trans Dev Impact Fund) Update	7,601	125,000	130,000	100.00%	2007
	TOTAL CIP EXPENDITURES	\$ 2,220,534				

SCHEDULE 1.2
TRANSPORTATION DEVELOPMENT IMPACT FEES (TDIF)
FY 10/11 REVENUES AND EXPENDITURES

<u>Description of Loan</u>	<u>Loan Amount</u>	<u>Interest Rate</u>
Advance to Western Transportation DIF approved via Council approved FY09 budget	180,000	2.402%
Advance to PFDIF (General Administration) approved by Council Resolution #2008-300 on December 16, 2008	5,200,000	3.80%
Advance to PFDIF (General Administration) approved by Council Resolution #2009-137 on June 9, 2009	5,300,000	0.56%

SCHEDULE 2
WESTERN TRANSPORTATION DEVELOPMENT IMPACT FEES (TDIF)
FY 10/11 REVENUES AND EXPENDITURES

Description of Fee: To finance the construction of traffic and transportation improvements in support of future development.

Amount of the Fee:	\$	3,243	per single family equivalent dwelling unit detached
		2,594	per single family equivalent dwelling unit attached (med density)
		1,946	per multi-family equivalent dwelling unit
		64,860	per regional commercial gross acre
		194,580	per high rise office gross acre

FY 10/11 FUND BALANCE INFORMATION:

	FUND 593
	<u>WESTERN TRANSPORTATION DIF</u>
Beginning Balance, 07/01/10	\$ 190,215
WTDIF Fees Collected	5,467
Interest Earned	1,962
Transfer-In	-
Expenditures:	
Supplies & Services	-
City Staff Services	-
CIP Project Expenditures	<u>(16,488)</u>
Unaudited Ending Balance, 06/30/11	<u><u>\$ 181,156</u></u>

FY 10/11 CIP EXPENDITURES:

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>PROJECT EXPENDITURES</u>	<u>Total Appropriation as of 6/30/11</u>	<u>Future Appropriations</u>	<u>% Of Project Funded by TDIF</u>	<u>Initially Scheduled</u>
STL349	UC Bike Path/Ped Accss Std 3rd	\$ -	55,000	-	26.00%	2009
TF363	Western TDIF Bayfront Update	16,488	125,000	-	100.00%	2009
	TOTAL CIP EXPENDITURES	<u><u>\$ 16,488</u></u>				

SCHEDULE 3
TRAFFIC SIGNAL DEVELOPMENT IMPACT FEES
FY 10/11 REVENUES AND EXPENDITURES

Description of Fee: For City's traffic signal needs resulting from increased traffic volume caused by new development.

Amount of the Fee: \$ 31.80 per trip

FY 10/11 FUND BALANCE INFORMATION:

	FUND 225 TRAFFIC SIGNAL FUND
	<hr/>
Beginning Balance, 07/01/10	\$ 3,703,859
Traffic Signal Fees Collected	325,097
Federal Grant	-
Interest Earned	35,293
Miscellaneous Revenues	-
Transfer-In	4,213
Expenditures:	
City Staff Services	(4,696)
Other Refunds	-
Transfer-Out - 2003 Refunding COP	-
CIP Project Expenditures	<u>(747,945)</u>
Unaudited Ending Balance, 06/30/11	<u><u>\$ 3,315,821</u></u>

SCHEDULE 3.1
TRAFFIC SIGNAL DEVELOPMENT IMPACT FEES
FY 10/11 REVENUES AND EXPENDITURES

FY 10/11 CIP EXPENDITURES:

PROJECT	DESCRIPTION	PROJECT EXPENDITURES	Total Appropriation as of 6/30/11	Future Appropriations	% Of Project Funded by Traffic Signal DIF	Initially Scheduled
OP206	Surevey Monument Preservation Replacement	\$ 6,855	7,000	6,000	12.00%	2010
OP208	CIP Mngmnt & Equipment Purchase	11,272	35,000	5,000	19.44%	2009
STM370	North Fourth Avenue Widening	1,273	30,000	-	11.00%	2011
TF300	Traffic Signal Instl Hilltop / Oxford	11,150	449,401	-	100.00%	2003
TF316	Signal Installation-2nd & Quintard	8,644	40,000	-	13.00%	2003
TF320	Signal Instl Greensgate /Greenvw	6,251	157,174	-	100.00%	2005
TF330	Traffic Modification 4th / Main & 4th / Beyer	23,729	627,000	-	70.00%	2006
TF331	Traffic Modification 3rd / Montgomery	71,745	390,000	-	56.52%	2006
TF335	Traffic Signal Installation Brandywine & Sequoia	1,720	309,201	-	100.00%	2007
TF337	Traffic Left Turn Modification Program	12,140	226,649	-	100.00%	2006
TF349	Traffic Signal Modification 1st Ave. E St. Intersection	415,340	560,000	40,000	100.00%	2008
TF354	Traffic Congestion Relief Program	16,312	55,000	-	20.00%	2008
TF355	I805 Corridor Improvement Arterial Ops	430	25,000	-	33.33%	2008
TF360	Hwy Safety Imprv Prog Mjr Intr	42,519	462,090	240,000	51.00%	2009
TF366	Trafc Sgnl & Stlight Upgrd/Mtn	109,570	255,913	-	41.89%	2009
TF370	Traffic Signal Instal Albany & Orange	5,328	350,000	-	100.00%	2010
TF371	Traffic Modification Hilltop Dr & Main Street	3,571	250,000	-	100.00%	2010
TF374	Mod Traffic Signal/Equip. 3rd&I and 3rd&K	96	250,000	-	100.00%	2011
	TOTAL CIP EXPENDITURES	\$ 747,945				

SCHEDULE 4
TELEGRAPH CANYON DRAINAGE DIF (TC DRAINAGE DIF)
FY 10/11 REVENUES AND EXPENDITURES

Description of Fee: For construction of Telegraph Canyon channel between Paseo Ladera and the Eastlake Business Center and for a portion of the channel west of I-805.

Amount of the Fee: \$ 4,579 per acre

FY 10/11 FUND BALANCE INFORMATION:

	FUND 542 TC DRAINAGE DIF
Beginning Balance, 07/01/10	\$ 6,007,031
TC Drainage Fees Collected	-
Interest Earned	62,105
Transfer-In	-
Expenditures:	
Debt Service Payment to 03 Refunding COP	-
CIP Project Expenditures	(2,194)
	<hr/>
Unaudited Ending Balance, 06/30/11	<u><u>\$ 6,066,942</u></u>

FY 10/11 CIP EXPENDITURES:

PROJECT	DESCRIPTION	PROJECT EXPENDITURES	Total Appropriation as of 6/30/11	Future Appropriations	% Of Project Funded by DIF	Initially Scheduled
DR167	Telegraph Canyon Drainage Study Third & L	\$ 193	1,251,000	-	100.00%	2006
DR182	Telegraph Canyon Channel Improvement K-1st	134	50,000	-	100.00%	2010
DR183	Telegraph Canyon Drainage Study	1,867	1,000,000	600,000	100.00%	2010
	TOTAL CIP EXPENDITURES	<u><u>\$ 2,194</u></u>				

SCHEDULE 5
SEWER DEVELOPMENT IMPACT FEES
FY 10/11 REVENUES AND EXPENDITURES

Telegraph Canyon Gravity Sewer DIF (TC Gravity Sewer DIF) Fund 431
Pumped Sewer DIF (Pumped Sewer DIF) Fund 543
Poggi Canyon Sewer Basin DIF (PC Sewer Basin DIF) Fund 432
Salt Creek Sewer Basin DIF (SC Sewer Basin DIF) Fund 433

Description of Fee:

Telegraph Canyon Gravity Sewer DIF:	For the expansion of trunk sewer within the basin for tributary properties.
Pumped Sewer DIF:	For construction of facilities necessary to provide sewer service to developments within the pumped flow basin.
Salt Creek Sewer Basin DIF:	For the planning, design, construction and/or financing of the facilities.
Poggi Canyon Sewer Basin DIF:	For the construction of a trunk sewer in the Poggi Canyon Sewer Basin from a proposed regional trunk sewer west of I-805 along Olympic Parkway to the boundary of Eastlake.

Amount of the fee:

	Fund 431 TC Gravity Sewer DIF	Fund 432 PC Sewer Basin DIF	Fund 433 SC Sewer Basin DIF
per single family equivalent dwelling unit detached	\$ 216.50	\$ 265.00	\$ 1,330.00
per single family equivalent dwelling unit attached	216.50	265.00	1,330.00
per multi-family equivalent dwelling unit	162.38	198.75	997.50
Commercial land use	\$216.50/edu	\$265/edu	\$1330/edu
Industrial land use	\$216.50/edu	\$265/edu	\$1330/edu

SCHEDULE 5.1
SEWER DEVELOPMENT IMPACT FEES
FY 10/11 REVENUES AND EXPENDITURES

FY 10/11 FUND BALANCE INFORMATION:

	Fund 431 TC Gravity Sewer DIF	Fund 432 PC Sewer Basin DIF	Fund 433 SC Sewer Basin DIF
Beginning Balance, 07/01/10	\$ 3,246,021	\$ 2,011,597	\$ 1,551,928
DIF Fees Collected	1,418	75,348	366,833
Interest Earned	11,243	21,280	58,727
Transfer-In	-	-	-
Expenditures:			
City Staff Services	-	(552)	(150)
Depreciation Expense - Infrastructure	(60,000)	-	-
Oakwood Development Refunds (2008-261 & 2009-002	-	-	-
Interest Paid	-	-	(62,927)
Transfer Out to Fund 413	-	-	-
Transfer Debt Service	-	-	(250,000)
CIP Project Expenditures	-	-	-
Unaudited Ending Balance, 06/30/11	<u>\$ 3,198,682</u>	<u>\$ 2,107,673</u>	<u>\$ 1,664,411</u>

SCHEDULE 6
OTAY RANCH PEDESTRIAN BRIDGE DEVELOPMENT IMPACT FEE
FY 10/11 REVENUES AND EXPENDITURES

Otay Ranch Village 1, 2, 5 & 6 Pedestrian Bridge DIF (OR Vil 1 & 5 Pedestrian Bridge DIF), Fund 587

Otay Ranch Village 11 Pedestrian Bridge DIF (OR Vil 11 Pedestrian Bridge DIF), Fund 588

Description of Fee:

OR Village 1 & 5 Pedestrian Bridge DIF: To finance the construction of pedestrian bridge improvement between Otay Ranch Villages 1, 5 & 6.

OR Village 11 Pedestrian Bridge DIF: To finance the construction of pedestrian bridge improvement in Otay Ranch Village 11.

Amount of the fee:

	Fund 587 OR Village 1, 2, 5 & 6 Ped Bridge DIF	Fund 588 OR Village 11 Ped Bridge DIF
per single family equivalent dwelling unit detached	\$ 1,114.00	\$ 2,170.00
per multi-family equivalent dwelling unit	\$ 826.00	\$ 1,612.00

FY 10/11 FUND BALANCE INFORMATION:

	FUND 587 OTAY RANCH DIF	FUND 588 OTAY RANCH DIF
Beginning Balance, 07/01/10	\$ 11,120	\$ 2,375,990
DIF Fees Collected	256,834	394,019
Interest Earned	1,905	28,360
Otay Parkway Ped. Bridge (2008-102)	-	-
City Staff Services	(100)	(1,053)
Unaudited Ending Balance, 06/30/11	<u>\$ 269,759</u>	<u>\$ 2,797,316</u>

SCHEDULE 7
PUBLIC FACILITIES DEVELOPMENT IMPACT FEES (PFDIF)
FY 10/11 STATEMENT OF FUND BALANCE

Description of Fee and amount:

Administration (\$563) - Administration of the Public Facilities DIF program, overseeing of expenditures and revenues collected, preparation of updates, calculation of costs, etc.

Civic Center Expansion (\$2,458) - Expansion of the 1989 Civic Center per the Civic Center Master Plan to provide sufficient building space and parking due to growth and development. The Civic Center Master Plan was updated in July 2001 to include the Otay Ranch impacts.

Police Facility (\$1,565) - Accommodation of the building space needs per the Civic Center Master Plan, which included the newly constructed police facility, upgrading of the communications center and installation of new communication consoles. Also included is the purchase and installation of a computer aided dispatch system (CAD), Police Records Management System, and Mobile Data Terminals.

Corporation Yard Relocation (\$421) - Relocation of the City's Public Works Center from the bay front area to the more centrally located site on Maxwell Road.

Libraries (\$1,413) - Improvements include construction of the South Chula Vista library and Eastern Territories libraries, and installation of a new automated library system. This component is based on the updated Library Master Plan.

Fire Suppression System (\$1,243) - Projects include the relocation of Fire Stations #3 & #4, construction of a fire training tower and classroom, purchase of a brush rig, installation of a radio communications tower and construction of various fire stations in the Eastern section of the City. This fee also reflects the updated Fire Station Master Plan, which includes needs associated with the Otay Ranch development.

Major Recreation Facilities (\$1,072) - New component adopted in November 2002 to build major recreation facilities created by new development such as community centers, gymnasiums, swimming pools, and senior/teen centers.

	Gen. Admin. 571	Civic Center (1) 567/572	Police Facility 573	Corp Yard Relocation 574	Libraries 575	Fire Supp. System 576	Rec. Facilities 582	TOTAL
Beginning Balance, 07/01/10	\$ 2,914,218	\$ 8,382,915	\$ (2,327,270)	\$ 2,356,810	\$ 8,560,830	\$ (12,516,414)	\$ (6,279,081)	\$ 1,092,008
Revenues:								
DIF Revenues	381,400	879,429	624,801	132,404	744,416	696,663	749,087	4,208,200
Investment Earnings	33,263	96,283	2,061	29,419	94,423	(178,168)	(86,130)	(8,849)
Other Revenue	-	-	-	-	-	-	-	-
Reimbursement - Oth Agencies	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-
Expenditures:								
Personnel Services Total	-	-	-	-	-	-	-	-
Supplies & Services	-	-	-	-	-	-	-	-
City Staff Services	-	-	-	-	-	-	-	-
Other Refunds	-	-	-	-	-	-	-	-
Capital Expenditures	-	-	-	(83,447)	-	-	-	(83,447)
CIP Project Expenditures	-	-	-	-	-	-	-	-
Transfer Out	-	(69,192)	-	-	-	-	-	(69,192)
Unaudited Ending Balance, 06/30/11	\$ 3,328,881	\$ 9,289,435	\$ (1,700,408)	\$ 2,435,186	\$ 9,399,669	\$ (11,997,919)	\$ (5,616,124)	\$ 5,138,720

NOTE: (1) This fund includes the amount set aside for the acquisition of the Adamo property in Fund 567.

PARKLAND ACQUISITION AND DEVELOPMENT (PAD FEES) **FY 10/11 REVENUES AND EXPENDITURES**

Description of Fee: In lieu fee for providing neighborhood community park and recreational facilities.

Areas East of I-805

Amount of the Fee: \$ 17,415 per single family dwelling unit
 12,924 per multi-family dwelling unit
 8,150 per mobile home dwelling unit
 7,450 per motel/hotel dwelling unit

Areas West of I-805

Amount of the Fee: \$ 9,733 per single family dwelling unit
 7,223 per multi-family dwelling unit
 4,555 per mobile home dwelling unit
 4,163 per motel/hotel dwelling unit

FY 10/11 FUND BALANCE INFORMATION:

	FUND 715 PAD FUND
Beginning Balance, 07/01/10	\$ 31,599,699
Revenues:	
Park Dedication Fees	1,138,382
Interest Earned	192,233
Miscellaneous Revenues	-
Expenditures:	
Supplies and Services	-
Other Expenses	-
CIP Project Expenditures	(1,231,533)
Unaudited Ending Balance, 06/30/11	<u><u>\$ 31,698,781</u></u>

**PARKLAND ACQUISITION AND DEVELOPMENT (PAD FEES)
FY 10/11 REVENUES AND EXPENDITURES**

FY 10/11 CIP EXPENDITURES:

PROJECT	DESCRIPTION	PROJECT EXPENDITURES	Total Appropriation at 6/30/11	Future Appropriations	% Of Project Funded by PAD Fees	Initially Scheduled
PR260	San Miguel Ranch Community Park	118,355	8,363,510	-	100.00%	2007
PR261	Otay Ranch Community Park	30,942	697,764	-	100.00%	2009
PR279	All Seasons park	1,036,069	2,900,000	-	100.00%	2007
PR303	Sunset View Park Roller Hockey Rink Modf	46,167	150,000	-	100.00%	2009
	TOTAL EXPENDITURES	\$ 1,231,533				

Note: The ending balance includes fees paid by specific developers for specific parks within those development. These parks include Salt Creek Park, Montevalle Park, Mt. Miguel Park, Mountain Hawk, and the Otay Ranch Community Park.

TRUNK SEWER CAPITAL RESERVE FY 10/11 REVENUES AND EXPENDITURES

Description of Fee: For the enlargement of sewer facilities of the City so as to enhance efficiency of utilization and/or adequacy of capacity and for planning and/or evaluating any future proposals for area wide sewage treatment and or water reclamation systems or facilities.

Amount of the Fee: \$ 3,478 per equivalent dwelling unit of flow when developing or modifying use of any residential property

FY 10/11 FUND BALANCE INFORMATION:

	FUND 413 TRUNK SEWER (TS)
	<hr/>
Beginning Balance, 07/01/10	\$ 184,190,079
Interest Earned	866,726
Developer Infrastructure Donations	-
Sewerage Facility Participant Fees	2,416,132
Transfer In	-
Expenditures:	
Depreciation Expense - Infrastructure	(5,295,746)
CIP Project Expenditures	<u>(199,432)</u>
Unaudited Ending Balance, 06/30/11	<u><u>\$ 181,977,759</u></u>

**TRUNK SEWER CAPITAL RESERVE
FY 10/11 REVENUES AND EXPENDITURES**

FY 10/11 EXPENDITURES:

<u>PROJECT</u>	<u>DESCRIPTION</u>	<u>PROJECT EXPENDITURES</u>	<u>Total Approp. at 6/30/11</u>	<u>Future Appropriations</u>	<u>% Of Project Funded by TRUNK SEWER</u>	<u>Initially Scheduled</u>
SW223	Wastewater Master Plan	4,022	65,940	-	100.00%	2001
SW233	Moss Street Woodlawn to Broadway	-	247,379	500,000	18.00%	2007
SW234	Sewer Improvement Colorado J & K	-	965,883	-	100.00%	2004
SW235	Main St. Sewer Hilltop - Fresno	5,827	86,459	50,000	100.00%	2004
SW249	Joint Feas Stud for Wastewater Reclm	680	49,099	-	100.00%	2007
SW258	Sewer Capacity Analysis	188,447	287,235	-	100.00%	2007
SW261	Industrial Blvd & Main Cap Enhance	75	140,000	-	100.00%	2010
SW263	Anita Street Sewer Improvement	172	500,000	-	100.00%	2011
SW265	Industrial Blvd At Moss & K	-	10,000	300,000	100.00%	2011
SW266	Oxford Street Sewer Improvement	209	670,000	-	100.00%	2011
	TOTAL EXPENDITURES	<u><u>\$ 199,432</u></u>				

**TRUNK SEWER CAPITAL RESERVE
FY 10/11 REVENUES AND EXPENDITURES**

LOANS:




<u>Description of Loan</u>	<u>Outstanding Loan Amount</u>	<u>Interest Rate</u>
Loan to Storm Drain Fund, approved by Council Resolution #18996 on May 19, 1998	\$ 428,970	6.07%
Loan to Storm Drain Fund, approved by Council Resolution #19078 on July 16, 1999 for project DR140 (Storm Drain Repair-Orange)	60,892	5.90%
Loan to Storm Drain Fund, approved by Council Resolution #19607 on Nov. 24, 1999 for project DR 147 (CMP Storm Drain Replacement)	236,989	5.88%
Loan to Storm Drain Fund, approved by Council Resolution #19682 on Jan. 19, 2000	84,510	5.88%
Advance to Salt Creek Sewer DIF approved by Council Resolution #2001-203 on June 19, 2001	10,516,522	5.88%
Advance to Salt Creek Sewer DIF approved by Council Resolution #2002-222 on June 18, 2002	1,963,928	5.34%
Advance to Salt Creek Sewer DIF approved by Council Resolution #2002-297 on August 13, 2002	2,929,953	1.90%
Advance to Salt Creek Sewer DIF approved by Council Resolution #2003-278 on June 17, 2003	<u>1,109,491</u>	1.50%
Total	<u>\$ 17,331,254</u>	



CITY COUNCIL AGENDA STATEMENT

12/16/08, Item 7

ITEM TITLE: ORDINANCE OF THE CITY OF CHULA VISTA ESTABLISHING
THE DEVELOPMENT PROCESSING AND IMPACT FEE
PAYMENT PLAN PROGRAM

SUBMITTED BY: DIRECTOR OF ENGINEERING 
DIRECTOR OF PLANNING AND BUILDING 
DIRECTOR OF FINANCE 

REVIEWED BY: INTERIM CITY MANAGER 

4/5THS VOTE: YES ☐ NO ☒

SUMMARY

The City of Chula Vista requires the payment of various processing, development impact, capacity, and in-lieu fees to ensure new development mitigates its impact on public facilities. The payment of these fees is a substantial commitment for many projects, and spreading the payment of the fees over an extended period may assist in the development of projects. Members of the development community have contacted the City and requested an extended payment schedule program be considered. The proposed Ordinance represents the City's response to this request.

ENVIRONMENTAL REVIEW

The City's Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA.

RECOMMENDATION

Council approve the Ordinance establishing a Development Processing and Impact Fee Payment Plan Program (first reading), to take effect and be in full force 30 days after the second reading and adoption.

BOARDS/COMMISSION RECOMMENDATION

Not applicable.

DISCUSSION

The City collects processing, development impact, capacity, and in-lieu fees from developers as a condition of project approval. These funds are used to offset the City's cost of providing

development review services and to finance the construction of public improvements necessary to mitigate the subject project's impact on the City's public facilities.

The payment of processing and development fees is a substantial commitment for most development projects. As a result of the current downturn in development and the continued tightening of the credit market, the burden created by the payment of fees at building permit issuance has increased. Local developers and the Building Industry Association (BIA) have approached the City requesting consideration of an extended payment plan program.

In response to this request, staff has surveyed other California jurisdictions and found that several fee deferral programs are being offered. These programs include deferral of fees to various project milestones, including certificate of occupancy and close of escrow.

In order to help stimulate economic development and to be responsive to the needs of our customers, staff recommends the creation of an extended payment plan program for certain processing and development impact fees. The Ordinance provides a framework for individual projects to enter into payment plan agreements with the City.

The program is intended as a temporary response to the current housing market slump, and as such, will expire on December 30, 2010.

General Program guidelines included in the Ordinance are described below.

DEVELOPMENT PROCESSING AND IMPACT FEE PAYMENT PLAN PROGRAM

The Development Processing and Impact Fee Payment Plan program allows the extended payment of certain processing and development impact fees. Participation in the Program requires the developer enter into an agreement with the City identifying the fees to be paid, total fee amount due, and establishing a payment schedule for the fees (including initial deposit and amount due per month and/or milestone).

The fees due are as determined by the fee schedule in effect at the time the agreement is executed. If the applicant fails to comply with all provisions and requirements of the Ordinance or individual payment plan agreement, the City will adjust the development processing and impact fees due to reflect the then current fee rates.

The maximum payment schedule is 12 months, with an optional 12 month extension at the discretion of the City Manager or his designee. Any additional extension of the payment schedule requires Council approval. In no event will the fee payment schedule extend beyond either: 1) the City's approval and signature on the final inspection card for residential development; or 2) the issuance of the certificate of occupancy for a non-residential development.

All developers with projects currently submitted to the City for review and permitting are eligible for the extended payment program, including residential, commercial, and industrial projects. Those developers with current outstanding debts with the City are not eligible for the program until their City accounts are brought current, to the satisfaction of the Finance Director.

Applicants will not be required to submit an administrative fee to cover the cost of administering the payment plan agreements. In addition, no interest will be charged on the fees included in the individual payment plans. The order in which payment plan funds are applied to the various fee programs shall be at the sole discretion of the Finance Director.

The payment schedule agreement required by the Program is non-transferrable and must be recorded as a lien on the subject property, with the applicant responsible for all recording costs. Upon receipt of payment in full, the City will file a release of lien.

DECISION MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site specific and consequently the 500 foot rule found in California Code of Regulations section 18704.2(a)(1) is not applicable to this decision.

FISCAL IMPACT

Approval of the Ordinance creates a framework for a payment program only, and therefore has no General fund impact.

For future payment plan agreements as authorized by the Ordinance, applicants will reimburse the City for all costs incurred in the preparation, execution, and recordation of the individual project agreements, resulting in no net General fund impact. Staff costs incurred in administering individual payment plan agreements will not be recovered via a stand-alone administrative fee. It is anticipated that these costs will not exceed staff time generally spent administering fee programs.

Approval of individual project payment plan agreements will result in extended payment of processing and development fees. Delayed receipt of fees will result in decreased interest earnings and may impact project construction phasing.

ATTACHMENTS

None.

Prepared by: Iracsema Quilantan, Assistant Director of Engineering, Engineering Department

M:\Engineer\AGENDA\CAS2008\12-16-08\Fee Deferral Program Staff Report Rev.doc

ORDINANCE NO. 3120

ORDINANCE OF THE CITY OF CHULA VISTA
ESTABLISHING THE DEVELOPMENT AND PROCESSING
IMPACT FEE PAYMENT PLAN PROGRAM

WHEREAS, the City of Chula Vista (City) requires the payment of various types of development impact fees to help address the impacts of new development; and

WHEREAS, on August 7, 1990, pursuant to Ordinance No. 2384, the City Council established the Telegraph Canyon Drainage Fee; and

WHEREAS, Ordinance No. 2384 requires that the Telegraph Canyon Drainage Fee be paid before the approval by the City of the development project, or if not paid at the time of approval of the final map or parcel map, the fee must be paid before the issuance of the first building permit for the development; and

WHEREAS, on December 9, 1997, pursuant to Ordinance No. 2716, the City Council establish the Poggi Canyon Sewer Basin Development Impact Fee; and

WHEREAS, Ordinance No. 2716 requires that the Poggi Canyon Sewer Basin Development Impact Fee be paid in cash upon the issuance of a building permit; and

WHEREAS, on January 5, 1999, pursuant to Ordinance No. 2767, the City Council established the Otay Ranch Village 1 and 5 Pedestrian Bridge Development Impact Fee; and

WHEREAS, Ordinance No. 2767 requires that the Otay Ranch Village 1 and 5 Pedestrian Bridge Development Impact Fee be paid prior to the issuance of building permits for residential development projects; and

WHEREAS, on February 18, 2003, pursuant to Ordinance No. 2898, the City Council established the Pedestrian Bridge Development Impact Fee Program for Otay Ranch Village 11; and

WHEREAS, Ordinance No. 2898 requires that the Pedestrian Bridge Development Impact Fee for Otay Ranch Village 11 be paid in cash upon the issuance of a residential building permit; and

WHEREAS, Chapter 3.32 of the Chula Vista Municipal Code establishes the Residential Construction Tax; and

WHEREAS, the Residential Construction Tax requires that the tax be paid upon the application for a building permit; and

WHEREAS, Chapter 3.50 of the Chula Vista Municipal Code establishes the Development Impact Fees to Pay for Various Public Facilities (PFDIF); and

WHEREAS, the PFDIF requires that the fee be paid upon the issuance of a building permit; and

WHEREAS, Chapter 3.54 of the Chula Vista Municipal Code establishes the Transportation Development Impact Fee for the Eastern Territories of the City (TDIF) and Chapter 3.55 of the Municipal Code establishes the Western Transportation Development Impact Fee (WTDIF); and

WHEREAS, both the TDIF and the WTDIF require that the fee be paid upon the issuance of a building permit; and

WHEREAS, Section 13.14.090 of the Chula Vista Municipal Code establishes the Sewage Capacity Charge; and

WHEREAS, the City recognizes that the payment of fees represents a substantial financial commitment for many projects; and

WHEREAS, the City recognizes that establishing a payment plan for certain fees may assist in the development of projects; and

WHEREAS, this Ordinance establishes a payment plan for certain development processing and impact fees for a specified period of time.

NOW THEREFORE, the City Council of the City of Chula Vista does ordain as follows:

Section 1. Environmental Review

The City's Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA.

Section 2. Purpose

The City Council of the City of Chula Vista desires to encourage the construction of residential and nonresidential development projects within the City. The City Council finds that the early payment of certain impact fees for new development creates such a barrier to such development and desires, by the adoption of this Chapter, to ease such barrier by establishing a payment plan for certain development impact fees.

Section 3. Definitions

"Applicant" means the owner of the real property or the developer with an approved development project who seeks a development impact fee payment plan pursuant to this Ordinance.

"Approved Residential Development Project" means a market rate residential development consisting of single-family or multifamily residential units sold or rented at prevailing market rates and free of any affordability restrictions which has received final discretionary action by the City and which is in compliance with all environmental requirements due prior to issuance of a building permit.

"Approved Development Project " means a nonresidential development which has received final discretionary action by the City and which is in compliance with all environmental requirements due prior to issuance of a building permit.

Section 4. Development Impact Fees Subject to the Payment Plan Program

Notwithstanding the provisions of Chapters 3.32, 3.54 and 3.55 of the Chula Vista Municipal Code and the Ordinances listed below, the provisions of this Ordinance shall apply only to the following development impact fees:

- (a) the Sewer Capacity Fee codified in Section 13.14.090 of the Chula Vista Municipal Code;
- (b) the Residential Construction Tax codified in Chapter 3.32 of the Chula Vista Municipal Code;
- (c) the Development Impact Fees to Pay for Various Public Facilities codified in Chapter 3.50 of the Chula Vista Municipal Code;
- (d) the Eastern Area Transportation Development Impact Fee codified in Chapter 3.54 of the Chula Vista Municipal Code;
- (e) the Western Transportation Development Impact Fee codified in Chapter 3.55 of the Chula Vista Municipal Code;
- (f) the Telegraph Canyon Drainage Fee established on August 7, 1990 pursuant to Ordinance No. 2384;
- (g) the Poggi Canyon Sewer Basin Development Impact Fee established on December 9, 1997, pursuant to Ordinance No. 2716;
- (h) the Otay Ranch Village 1 and 5 Pedestrian Bridge Development Impact Fee established on January 5, 1999, pursuant to Ordinance No. 2767; and

- (i) and the Pedestrian Bridge Development Impact Fee Program for Otay Ranch Village 11 established on February 18, 2003, pursuant to Ordinance No. 2898.

Section 5. Establishment of the Development Impact Fee Payment Plan Program

- (a) The Development Impact Fee Payment Plan Program is established for those development impact fees listed in Section 4.
- (b) The Development Impact Fee Payment Plan Program shall apply only to Approved Residential Development Projects and Approved Development Projects as defined in this Ordinance.
- (c) An Applicant may file an application with the City to request a payment plan for any or all of those development impact fees listed in Section 4.
- (d) The Applicant shall deposit with the City an amount to be determined by the City Manager for an Approved Residential Development Project or an Approved Development Project at the time the building permits are issued. No building permit shall be issued for an Approved Residential Development Project or an Approved Development Project subject to this Ordinance unless the Applicant has paid this deposit.
- (e) The Applicant, and the owner of the property, if different, shall be required to enter into an agreement with the City, in a form approved by the City Attorney, agreeing to the payment plan.
- (f) The maximum period for any payment plan pursuant to this Chapter is twelve (12) months from the date of issuance of building permits. This period may be extended once for twelve (12) months at the discretion of the City Manager. Any additional extensions shall be at the discretion of the City Council.
- (g) All fees subject to the Development Impact Fee Payment Plan Program shall be paid in full the earlier of: (1) the City's approval and signature on the final inspection card by the Director of Planning and Building, or designee, for an Approved Residential Development Project; or (2) the issuance of the certificate of occupancy for an Approved Development Project; or (3) the end of the maximum period described in subsection (f) of this Section 5.

Section 6. Agreement Shall Constitute a Lien

The Applicant and the owner of the property, if different, shall execute a Development Impact Fee Payment Plan Program Agreement with the City. The Agreement shall be recorded by the City and shall constitute a lien against the property for the payment of the fees. The City Manager shall execute the Agreement on behalf of the City.

Once the obligation is paid in full, the City shall record a Release of the Lien.

Section 7. Determination of the Amount of Development Impact Fees

The amount of development impact fees owed by the Applicant shall be determined by the City pursuant to the provisions outlined in the Municipal Code or in the ordinances establishing the fees. These amounts shall be fixed as of the date of the execution of the Development Impact Fee Payment Plan Agreement by the City. The amounts of these fees shall not change as long as the Applicant is in full compliance with all provisions and requirements of this Ordinance and the Development Impact Fee Payment Plan Program Agreement. If, however, the Applicant fails to comply with all the provisions and requirements of this Ordinance or the Agreement, the City may adjust the development impact fees to reflect the current rates for the fees.

Section 8. Not Transferable

The City's approval of a Development Impact Fee Payment Plan is not transferable to any other project, even if the Applicant is the same and the other project would qualify for the Development Impact Fee Payment Plan Program.

Section 9. Recordation Costs

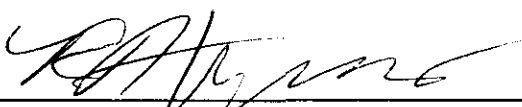
The Applicant shall pay all costs of recordation of documents required pursuant to this Ordinance and the Development Impact Fee Payment Plan Program Agreement at the execution of the Development Impact Fee Payment Plan Program Agreement by the City.

Section 10. Expiration of this Ordinance

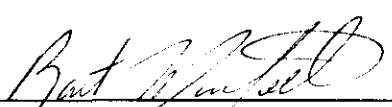
This Ordinance shall take effect thirty days after final passage and shall expire on December 31, 2010, and as of that date, is repealed.

Presented by

Approved as to form by



Richard A. Hopkins
Engineering Director



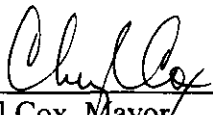
Bart C. Miesfeld
City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 6th day of January 2009, by the following vote:

AYES: Councilmembers: Bensoussan Castaneda, McCann, Ramirez, and Cox

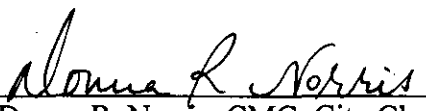
NAYS: Councilmembers: None

ABSENT: Councilmembers: None



Cheryl Cox, Mayor

ATTEST:

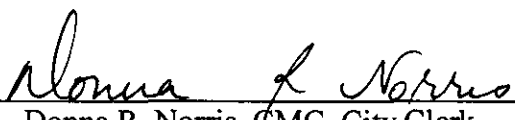


Donna R. Norris, CMC, City Clerk

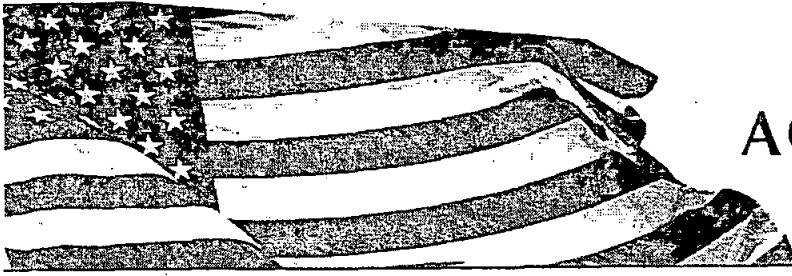
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Donna R. Norris, City Clerk of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 3120 had its first reading at a regular meeting held on the 16th day of December 2008 and its second reading and adoption at a regular meeting of said City Council held on the 6th day of January 2009; and was duly published in summary form in accordance with the requirements of state law and the City Charter.

Executed this 6th day of January 2009.



Donna R. Norris, CMC, City Clerk



CITY COUNCIL AGENDA STATEMENT

4/7/08, Item 7

ITEM TITLE: ORDINANCE OF THE CITY OF CHULA VISTA AMENDING
TITLE 17, SECTION 17.10.100 OF THE CHULA VISTA
MUNICIPAL CODE TO FACILITATE THE DEFERRAL OF IN-
LIEU PARK FEES

SUBMITTED BY: DEPUTY CITY MANAGER ^{CH} / DIRECTOR OF DEVELOPMENT
SERVICES

REVIEWED BY: CITY MANAGER ^{JS}

4/5THS VOTE: YES ☐ NO ☒

SUMMARY

On December 16, 2008, City Council approved the creation of a payment plan program for development processing and impact fees due to the current economic downturn. This action would allow developers to also defer Park Acquisition and Development fees to a time later than the approval and recordation of the parcel or final map, or for development that does not require a parcel or final map, later than permit issuance. The purpose of the fee deferral program is for the purpose of stimulating economic development within the City of Chula Vista. Both fee deferral programs will expire on December 31, 2010 and in no way relieve developers from fee obligations.

ENVIRONMENTAL REVIEW

The Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 (b)(4) of the State CEQA Guidelines because the proposal involves a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

RECOMMENDATION

Council approve the Ordinance amending Title 17.10 of the Municipal Code (Parklands and Public Facilities), first reading, to take effect and be in full force 30 days after the second reading and adoption.

DISCUSSION

The City currently collects Park Acquisition and Development ("PAD") fees pursuant to Section 17.10 of the Municipal Code, which requires that fees be paid at the approval and recordation of parcel or final map, unless a parcel or final map is not required for the development, in which case the fees are paid at building permit issuance. The proposed changes under consideration consist of the following:

1. To allow all developers who formerly were required to pay PAD fees at the time of parcel or final map approval and recordation to pay the fees at the time of building permit issuance.
2. To allow those developers who have a demonstrated economic hardship, as determined by the City Manager, to further delay the payment of PAD fees after the issuance of building permits. This class of developers will be required to enter into an agreement with the City Manager wherein the terms of the payment are stipulated. All such agreements shall be secured with a lien on the developer's property and all staff time associated with preparing the agreement shall be borne by the developer. Developers entering into a payment agreement will be subject to the fees in effect at the time the agreement is entered into.
3. Developers who have previously paid PAD fees will not be provided refunds as the funds have either been programmed or are required for the construction of planned parks.
4. Any park acreage to be dedicated to the City will still be irrevocably dedicated at the time of the final map approval.

The payment of PAD fees is a substantial commitment for most development projects. As a result of the current market downturn and the continued tightening of the credit market, there is a perceived burden created by "frontloading" fees. The current method of collecting PAD fees at parcel or final map approval and recordation was established in order to enable park contracts to be let prior to the last building permit being issued. This provides for the delivery of parks prior to the last building permit being issued, a strategy that can make it possible to open a new park at the time when new homes become occupied. However, in light of the current market conditions, both residential and park development have been impacted. In order to stimulate both residential and park development, a temporary change in this practice is recommended during the period of economic downturn. The applicability of this amendment will be limited to the anticipated period of the current market slump and will expire on December 31, 2010.

The City updates PAD fees October 1st of every year to account for construction price changes. Developers will be required to pay the amount of the PAD in effect at the time the fee is paid, unless the payment is deferred to a time after the issuance of a building permit. In this instance, the developer will be subject to the fees in effect at the time the payment agreement is entered into. Interest will be charged on the deferred fees for the period of deferral. This will ensure that the City will collect enough funds to complete the facilities identified in the Parks Master Plan.

DECISION MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site specific and consequently the 500 foot rule found in California Code of Regulations section 18704.2(a)(1) is not applicable to this decision.

FISCAL IMPACT

Approval of the Ordinance has no General Fund impact because staff time associated with processing agreement and liens will be paid for by the developer. Approval of the ordinance may impact the Park Acquisition and Development (PAD) fund and associated project phasing. The deferral of fees to building permit issuance is anticipated to impact project phasing only, not the total fees recovered. Any agreements entered into between the City and developers for deferral beyond building permit issuance would not be subject to fee increases occurring in the interim; however, would be subject to interest, which would accrue on the fees deferred. As the fees deferred would be subject to interest there would be no impact on the total fees collected.

ATTACHMENTS

Proposed ordinance amendment text.

Prepared by: Tom Adler, Development Services Department

C:\Documents and Settings\toma\My Documents\PAD\Pad deferral v10.doc

ORDINANCE NO. 3126

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA AMENDING TITLE 17, SECTION 17.10.100
OF THE CHULA VISTA MUNICIPAL CODE TO FACILITATE
THE DEFERRAL OF IN-LIEU PARK FEES

WHEREAS, the City of Chula Vista is desirous of both assisting economic development and providing parklands for the community, and

WHEREAS, currently, in-lieu park fees ("PAD fees") are collected prior to the recordation of a final map or parcel map or for development that does not require a final map or parcel map, at the time of permit issuance; and

WHEREAS, the existing requirements related to the timing of the collection of PAD fees have been identified as a possible impediment to development; and

WHEREAS, in those situations where the PAD fees are not necessary for the public health or welfare, a deferral in the collection of such fees would not harm the City or its ability to provide its citizens and communities with the Parks they need; and

WHEREAS, the deferral of PAD fees will also provide developers with relief from the upfront capital requirements, so that they may begin pulling building permits; and

WHEREAS, on December 16, 2008, the City Council approved an ordinance for the deferral of certain development impact fees and other fees associated with development due to the economic downturn; and

WHEREAS, similarly, in order to permit the deferral of the collection of PAD fees, the City must amend its Municipal Code by adopting an ordinance; and

WHEREAS, the City desires to limit the applicability of such deferred payments of PAD fees to those final maps, parcel maps approved and recorded and those permits issued after the adoption of this Ordinance.

NOW, THEREFORE the City Council of the City of Chula Vista, does ordain as follows:

That Chula Vista Municipal Code chapter 17, section 17.10.100 be amended with the inclusion of sections 17.10.100(c), 17.10.100(d), and 17.10.100(e); as follows:

Chapter 17, Section 17.10.100
Collection and Distribution of Fees

(C) Notwithstanding the foregoing Section 17.10.100(A), the City may defer the payment of in-lieu fees for land dedication and/or park development for those developments that require a final subdivision map or parcel map until the date of permit issuance provided such final map or parcel map is approved and recorded after the adoption of this ordinance Section 17.10.100(C) and prior to December 31, 2010. The amount of the fees due shall be those fees in effect at the time of permit issuance.

(D) Notwithstanding the foregoing Section 17.10.100(A), the City may defer the payment of in-lieu fees for land dedication and/or park development due at permit issuance until a date 1 year from the permit issuance or until the call for final inspection, whichever is earlier, provided the following conditions are met:

- 1) The permit for which fee deferral is requested was issued after the adoption of this Ordinance Section 17.10.100(D) and prior to December 31, 2010.
- 2) Permit applicant demonstrates, to the satisfaction of the City Manager, that the payment of the in-lieu fees at the time of permit issuances creates a financial hardship.
- 3) An agreement with the City in a form approved by the City Attorney is executed containing the following terms and conditions:
 - a. Interest shall accrue on the deferred fees at the City's average earning rate from the date of permit issuance until the deferred fees are paid in full.
 - b. The City may withhold interim or final inspection, issuance of any additional permits, and/or certificates of occupancy, if applicable, until the deferred fees are paid in full.
 - c. The payment of the deferred fees and accrued interest shall be secured by a lien recorded on the property for which the permit was issued and such lien shall run with and encumber the property.
 - d. Fees and Accrued Interest shall be paid with a certified check prior to or concurrent with the date on which the deferral period ends.
 - e. If the Owner sells or transfers the property or any portion of the property in any manner, the property shall not be released from any of the obligations, covenants, or conditions under the Agreement relating to the property or portion of the property being acquired
 - f. Permit applicant shall pay all fees associated with the preparation and recording of the agreement and associated lien.
- 4) For those deferred fees equal to or in excess of \$100,000, the Agreement shall be approved by the City Council. For those deferred fees less than \$100,000, the City Manager or his/her designee shall execute the Agreement. Separate Agreements shall not be created or executed in order to avoid the approval limitations or requirements of this section.

(E) The provisions of Sections 17.10.100(C) and 17.10.100(D) shall expire, terminate, and become void at midnight on December 31, 2010. Upon expiration of this ordinance, all fees for development required to record a final or parcel map, deferred pursuant to the Section 17.10.100(C) and not the subject of a deferral agreement pursuant to Section 17.10.100(D), shall be due and payable on or before January 1, 2011. The amount of the fees due and payable shall be the amount of the fees in effect at the time of payment.

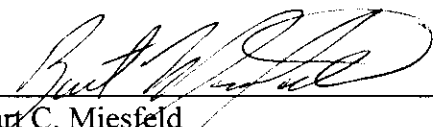
BE IT FURTHER ORDAINED that this ordinance shall take effect and be in full force thirty (30) days after its adoption.

Presented by

Approved as to form by



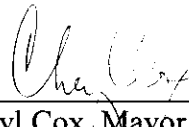
Gary Halbert, P.E., AICP
Deputy City Manager/Development Services
Director



Bart C. Miesfeld
City Attorney

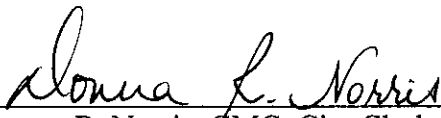
PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 21st day of April 2009, by the following vote:

AYES:	Councilmembers:	Bensoussan, Castaneda, McCann, Ramirez, and Cox
NAYS:	Councilmembers:	None
ABSENT:	Councilmembers:	None



Cheryl Cox, Mayor

ATTEST:



Donna R. Norris, CMC, City Clerk

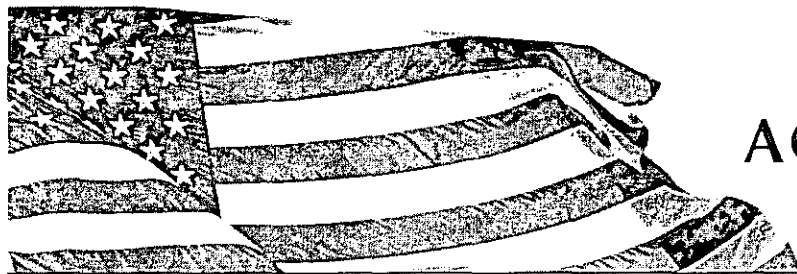
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Donna R. Norris, City Clerk of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 3126 had its first reading at a regular meeting held on the 7th day of April 2009 and its second reading and adoption at a regular meeting of said City Council held on the 21st day of April 2009; and was duly published in summary form in accordance with the requirements of state law and the City Charter.

Executed this 21st day of April 2009.



Donna R. Norris, CMC, City Clerk



CITY COUNCIL AGENDA STATEMENT



August 17, 2010 Item 9

ITEM TITLE: ORDINANCE OF THE CITY OF CHULA VISTA MODIFYING THE FEE DEFERRAL PROGRAM

SUBMITTED BY: ASSISTANT CITY MANAGER *gfh* DIRECTOR OF DEVELOPMENT SERVICES

REVIEWED BY: CITY MANAGER. *JS*

4/5THS VOTE: YES ☐ NO ☒

SUMMARY

On December 16, 2008, City Council approved the creation of a payment plan program for development fees due to the current economic downturn. This deferral program was enhanced on April 21, 2009 where City Council also approved the deferral of Park fees. The current deferral program requires applicants to enter into an agreement with the City for the deferral of fees. The Building Industry Association (BIA) has approached City staff with two specific concerns: 1. the time, and, 2. the costs associated with processing these deferral agreements. The proposed ordinance answers these two concerns by delaying the trigger for the bulk of development fees from building permit issuance to final inspection. The proposed ordinance also extends the deferral program for an additional year, to December 31, 2011, at which time fees will revert back to their traditional triggers: building permit issuance or final map approval.

ENVIRONMENTAL REVIEW

The Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because the proposal consists of a fiscal action that will not result in a potentially significant physical impact on the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

RECOMMENDATION

Council approve the Ordinance to take effect and be in full force 30 days after the second reading and adoption.

DISCUSSION

Since 2008 the City has given applicants the option to defer the bulk of development fees by entering into an agreement with the City. This agreement is recorded against the property as a lien

and released by the City once the fees have been paid. There is a certain amount of time and cost associated with this process and the BIA has requested that deferral program be amended such that the fees are not due and payable until each building permit's final inspection, thereby obviating the need for an agreement to defer such fees. Given that the purpose of deferring fees is to stimulate economic development within the City of Chula Vista, staff supports any administrative change that can make the program more efficient as long as the City is protected against a possible non-payment. The proposed ordinance under consideration tonight has these protections.

The Deferred Fees

The fees to be deferred under this ordinance are as outlined in Table 1 below:

Table 1
Fees to be collected prior to final inspection of a building permit

Fee Description	Authority	Fee Amount* for a typical single Family detached dwelling
Sewer Capacity Fee	13.14.090 Municipal Code	\$3,478.00
Public Facility Development Impact Fee (DIF)	3.50 Municipal Code	\$8,735.00
Eastern Transportation Development impact Fee	3.54 Municipal Code	\$11,317.00
Western Transportation Development impact Fee	3.55 Municipal Code	\$3,243.00
Telegraph Canyon Drainage Fee established	Ordinance 2384	\$216.50
Poggi Canyon Sewer Development Impact Fee	Ordinance 2716	\$265.00
Salt Creek Sewer Development Impact Fee	Ordinance 2974	\$1,330.00
Otay Ranch Village 1 and 5 Pedestrian Bridge DIF	Ordinance 2767	\$1,114.00
Otay Ranch Village 11 Pedestrian Bridge DIF	Ordinance 2898	\$2,126.00
Park Acquisition and Development Fees	17.10 Municipal Code	\$17,256.00 (East) \$9,574 (West)

* It is important to note that not all projects pay all fees. For example, building permits east of I-805 are obligated to pay the Eastern Transportation Development Impact Fee and building permits issued west of I-805 are obligated to pay the Western Transportation Development Fee. There are also specific sewer basin fees depending on which basin the development occurs in.

City Protections Against Non-Payment

The major change associated with this ordinance is that an agreement will no longer be recorded against each property. This agreement has been the primary protection against nonpayment of fees as the agreement is a lien on the property through which the City could collect payment. The proposed protections contained in this ordinance are that the City will not allow occupancy or even the final building inspection until such time as the fees are paid. In addition all fees become payable when the ownership changes during construction, requiring the new builder to either pay

the fees or to pull a new permit if a deferral is requested. Finally, if the program is not proceeding as planned, the City Manager is authorized to collect fees earlier upon the determination by the Finance Director that either the fees are necessary or there is a risk associated with collection of the fees at a later date.

Date of Termination of this Ordinance

The deferral program has been proposed in light of the current period of economic downturn in order to stimulate development. As such, the deferral program is temporary in nature. The applicability of this ordinance will be limited to the anticipated period of the current market slump and will expire on December 31, 2011.

DECISION MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site specific and consequently the 500 foot rule found in California Code of Regulations section 18704.2(a)(1) is not applicable.

FISCAL IMPACT

Current FY Impact

Approval of this ordinance has no General Fund Impact. Staff time associated with assessing fees will be picked up on the back end of the permit rather than permit issuance. The net effect due to time value of money issues (the City receives funds later than traditional) should be off-set by the fact the fees will be priced at the time of payment, not the time of building permit issuance.

Ongoing Fiscal Impact

The effect of this ordinance in the medium to long term should be negligible given that the program expires at the end of 2011. To the extent that new development would not have occurred but for this program the effect may even be positive from a property tax perspective.

Prepared by: Tom Adler, Development Services Department

ORDINANCE NO. 3163

ORDINANCE OF THE CITY OF CHULA VISTA MODIFYING
THE FEE DEFERRAL PROGRAM

WHEREAS, the City of Chula Vista (City) requires the payment of various types of fees to help off-set the impacts of new development; and

WHEREAS, Chapter 5 of the California Government Code starting with §66000 and titled the "Mitigation Fee Act" ("the Act") establishes processes and conditions for the charging and payment of impact fees for development project; and

WHEREAS, §66007(a) and (b) provides that fees on residential development shall not be required to be paid prior to the date of final inspection or certificate of occupancy; however, if the local agency determines that fees or charges for public improvements or facilities that are part of a plan are needed prior to such dates, they may be required at an earlier time; and

WHEREAS, the City has adopted several fees and charges for public improvements and facilities as part of a plan, including:

1. Telegraph Canyon Drainage Fee, adopted on August 7, 1990, pursuant to Ordinance No. 2384
2. Poggi Canyon Sewer Basin Development Impact Fee, adopted on December 9, 1997, pursuant to Ordinance No. 2716
3. Salt Creek Sewer Basin Development Impact Fee, adopted on August 24, 2004, pursuant to Ordinance No. 2974
4. Otay Ranch Village 1 and 5 Pedestrian Bridge Development Impact Fee, adopted on January 5, 1999, pursuant to Ordinance No. 2767
5. Pedestrian Bridge Development Impact Fee Program for Otay Ranch Village 11, adopted on February 18, 2003, pursuant to Ordinance No. 2898
6. "PFDIF" to pay for various public facilities, pursuant to Chapter 3.50 of the Chula Vista Municipal Code
7. Transportation Development Impact Fee for the Eastern Territories of the City (TDIF), pursuant to Chapter 3.54 of the Chula Vista Municipal Code
8. Western Transportation Development Impact Fee (WTDIF), pursuant to Chapter 3.55 of the Chula Vista Municipal Code
9. Parklands and Public Facilities Fees (Pad Fees) to pay for park related lands acquisition and the development of park facilities, pursuant to Chapter 17.10 of the Chula Vista Municipal Code
10. Sewage Capacity Charge, pursuant to Section 13.14.090 of the Chula Vista Municipal Code

WHEREAS, the City requires the preceding fees to be paid prior to or upon issuance of building permits; and

WHEREAS, the City recognizes that the payment of fees represents a substantial financial commitment for many projects; and

WHEREAS, the City recognizes that delaying certain fees may assist in the development of projects; and

WHEREAS, City Council has adopted Ordinance 3120 to establish a payment plan program to help lower the financial commitment for projects within the City until December 31, 2010; and

WHEREAS, City Council has adopted Ordinance 3126 to provide for the deferral of Park Acquisition and Development Fees; and

WHEREAS, the building community has requested that the deferral program be modified such that the above referenced fees would be payable prior to final inspection of each building permit; and

WHEREAS, the City agrees that, provided it determines such fees are not needed prior to or upon issuance of building permits and that deferral shall not impact related Capital Improvement Programs or the provision of facilities, during the period of economic downturn, it would be appropriate to collect fees prior to final inspection or certificate of occupancy; and

WHEREAS, the City would like to adopt an ordinance with a sunset period allowing for the payment of such fees prior to final inspection or certificate of occupancy upon request of the applicant and a determination by the City that such fees are not needed at an earlier time.

NOW, THEREFORE, the City Council of the City of Chula Vista does ordain that Ordinances 3120 and 3126 shall be repealed and replaced as follows:

Section 1. Environmental Review

The City's Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA.

Section 2. Purpose

The City Council of the City of Chula Vista desires to encourage the construction of residential and nonresidential development projects within the City. The City Council finds that the early payment of certain impact fees for new development is not always essential to the orderly and efficient development and in the current economic downturn, creates a barrier to such development. The City, therefore desires, by the adoption of this Ordinance, to ease such barrier by delaying the trigger for the payment of some fees for a certain period of time, provided the City determines that such fees will have no impact on the City's improvement programs and provision of public facilities.

Section 3. Definitions

"Applicant" means the owner of the real property or the developer with an approved development project who seeks to defer a development impact fee until final inspection or certificate of occupancy.

"Approved Residential Development Project" means a market rate residential development consisting of single-family or multifamily residential units sold or rented at prevailing market rates and free of any affordability restrictions which has received final discretionary action by the City and which is in compliance with all environmental requirements due prior to issuance of a building permit.

"Approved Development Project" means a nonresidential development which has received final discretionary action by the City and which is in compliance with all environmental requirements due prior to issuance of a building permit.

Section 4. Application of this Ordinance

This Ordinance shall apply only to Approved Residential Development Projects and Approved Development Projects as defined in this Ordinance.

Section 5. Fees Subject to the Payment Plan Program

Notwithstanding the provisions of Chapters 3.54, 3.55 and 17.10 of the Chula Vista Municipal Code and the Ordinances listed below to the contrary, the provisions of this Ordinance shall apply only to the following fees:

- (A) the Sewer Capacity Fee codified in Section 13.14.090 of the Chula Vista Municipal Code;
- (B) the Development Impact Fees to Pay for Various Public Facilities codified in Chapter 3.50 of the Chula Vista Municipal Code;
- (C) the Eastern Area Transportation Development Impact Fee codified in Chapter 3.54 of the Chula Vista Municipal Code;
- (D) the Western Transportation Development Impact Fee codified in Chapter 3.55 of the Chula Vista Municipal Code;
- (E) the Telegraph Canyon Drainage Fee established on August 7, 1990 pursuant to Ordinance No. 2384;
- (F) the Poggi Canyon Sewer Basin Development Impact Fee established on December 9, 1997, pursuant to Ordinance No. 2716;

(G) the Salt Creek Sewer Basin Development Impact Fee established on August 24, 2004 pursuant to Ordinance No.2974;

(H) the Otay Ranch Village 1 and 5 Pedestrian Bridge Development Impact Fee established on January 5, 1999, pursuant to Ordinance No. 2767;

(I) the Pedestrian Bridge Development Impact Fee Program for Otay Ranch Village 11 established on February 18, 2003, pursuant to Ordinance No. 2898; and

(J) the Parklands and Public Facilities fees of Title 17.10 of the Chula Vista Municipal Code.

Section 6. Time of Payment of Fee

(A) All fees subject to this Ordinance shall be paid prior to Final Inspection or Certificate of Occupancy.

(B) Notwithstanding Section 6(A), above, the City Manager, in his/her sole discretion, may require payment of the fees at an earlier date upon the occurrence of any of the following events:

1. the change of ownership of the Approved Residential Development Project, Approved Development Project, or any portion or portions thereof.
2. upon the City's Finance Director determination that the fees are necessary based on the adopted facilities programs in accordance with section 66007 (b) 1 of the Government Code.
3. upon a determination by the City' Finance Director, that there exists a risk associated with the collection of fees at a date later than permit issuance.

Section 7. Amount of Fees Due and Payable

(A) The amount of development impact fees due and payable by the Applicant shall be the amount of the fee at the time of payment, not the time of building permit issuance.


(B) In the event that the City, for any reason, fails to collect any or all fees prior to Final Inspection or Certificate of Occupancy, such fee shall remain the obligation of the applicant, be subject to interest at the rate of 2% per annum from the date on which Final Inspection or Certificate of Occupancy was issued, and be adjusted and increased by any amount incurred by the City related to the collection of such fees.

Section 8. Expiration of this Ordinance

This Ordinance shall take effect thirty days after final passage and shall automatically expire on December 31, 2011, and as of that date, is deemed repealed. Notwithstanding the foregoing, any building permit issued prior to the expiration of this Ordinance shall not be required to pay fees until Final Inspection or Certificate of Occupancy, provided none of the events identified in Section 6(B) have occurred.

Presented by

Approved as to form by



Gary Halbert, P.E., AICP
Assistant City Manager/Development Services
Director




Bart C. Miesfeld
City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 14th day of September 2010, by the following vote:

AYES: Councilmembers: Bensoussan, Castaneda, McCann, Ramirez and Cox

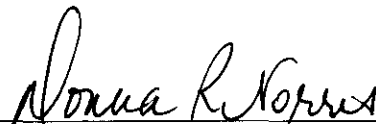
NAYS: Councilmembers: None

ABSENT: Councilmembers: None



Cheryl Cox, Mayor

ATTEST:



Donna R. Norris, CMC, City Clerk

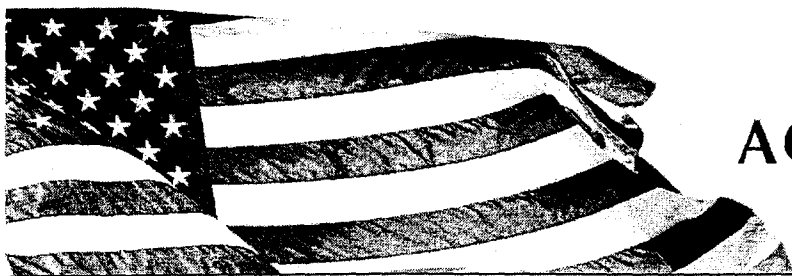
STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Donna R. Norris, City Clerk of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 3163 had its first reading at a regular meeting held on the 17th day of August 2010 and its second reading and adoption at a regular meeting of said City Council held on the 14th day of September 2010; and was duly published in summary form in accordance with the requirements of state law and the City Charter.

Executed this 14th day of September 2010.



Donna R. Norris, CMC, City Clerk



CITY COUNCIL AGENDA STATEMENT



November 15, 2011 Item 17

ITEM TITLE: ORDINANCE OF THE CITY OF CHULA VISTA MODIFYING THE FEE DEFERRAL PROGRAM

SUBMITTED BY: ASSISTANT CITY MANAGER  DIRECTOR OF DEVELOPMENT SERVICES

REVIEWED BY: CITY MANAGER 

4/5THS VOTE: YES ☐ NO ☒

SUMMARY

On December 16, 2008, in response to the economic downturn, City Council approved the creation of a payment plan program ("Deferral Program") for certain development fees. On April 21, 2009, the City Council expanded the Deferral Program to include the deferral of Park fees. On August 17, 2010, through the adoption of City of Chula Vista Ordinance 3163, City Council further amended the Deferral Program by allowing for the payment of fees at a building permit's final inspection, rather than building permit issuance. By its terms, the Deferral Program was to automatically expire on December 31, 2011. The proposed ordinance extends the deferral program for an additional year, to December 31, 2012, at which time fees will revert back to their traditional triggers: building permit issuance or final map approval.

ENVIRONMENTAL REVIEW

The Environmental Review Coordinator has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because the proposal consists of a fiscal action that will not result in a potentially significant physical impact on the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

RECOMMENDATION

Council approve the Ordinance to take effect and be in full force 30 days after the second reading and adoption.

DISCUSSION

The fees to be deferred under this ordinance are as outlined in Table 1 below:

Table 1

Fees to be collected prior to final inspection of a building permit

Fee Description	Authority
Sewer Capacity Fee	13.14.090 Municipal Code
Public Facility Development	3.50 Municipal Code

Fee Description	Authority
Impact Fee (DIF)	
Eastern Transportation Development Impact Fee	3.54 Municipal Code
Western Transportation Development Impact Fee	3.55 Municipal Code
Telegraph Canyon Drainage Fee established	Ordinance 2384
Poggi Canyon Sewer Development Impact Fee	Ordinance 2716
Salt Creek Sewer Development Impact Fee	Ordinance 2974
Otay Ranch Village 1 and 5 Pedestrian Bridge DIF	Ordinance 2767
Otay Ranch Village 11 Pedestrian Bridge DIF	Ordinance 2898
Park Acquisition and Development Fees	17.10 Municipal Code

Date of Termination of this Ordinance

The deferral program has been proposed in light of the current period of economic downturn in order to stimulate development. As such, the deferral program is temporary in nature. The applicability of this ordinance will be limited to the anticipated period of the current market slump and will expire on December 31, 2012.

DECISION MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site specific and consequently the 500 foot rule found in California Code of Regulations section 18704.2(a)(1) is not applicable.

CURRENT YEAR FISCAL IMPACT

Approval of this ordinance has no General Fund Impact. Staff time associated with assessing fees will be picked up on the back end of the permit rather than at permit issuance. The net effect due to time value of money issues (the City receives funds later than traditional) should be off-set by the fact the fees will be priced at the time of payment, not the time of building permit issuance.

ONGOING FISCAL IMPACT

The effect of this ordinance in the medium to long term should be negligible given that the program expires at the end of 2012. To the extent that new development would not have occurred but for this program, the effect may even be positive from a property tax perspective.

Prepared by: Tom Adler, Development Services Department

ORDINANCE NO. _____

ORDINANCE OF THE CITY OF CHULA VISTA AMENDING
SECTION 8 OF ORDINANCE 3163 IN ORDER TO EXTEND
THE FEE DEFERRAL PROGRAM

WHEREAS, as a response to the economic downturn and in an attempt to promote development, the City Council, on December 16, 2008, approved a payment plan program for certain development fees ("Deferral Program"); and

WHEREAS, on April 21, 2009, Council expanded the Deferral Program to include Park fees; and

WHEREAS, on August 17, 2010, through the approval and adoption of City of Chula Vista Ordinance 3163, City Council altered the nature of the Deferral Program; and

WHEREAS, the new Deferral Program, rather than requiring developers to pay fees at permit issuance or enter into an agreement secured by a lien placed on the property to be developed, allowed for the payment of fees at final inspection; and

WHEREAS, the Deferral Program is due to expire on December 31, 2011; and

WHEREAS, the current economic climate is little better than it was at the time the Deferral Program was implemented; and

WHEREAS, the need to promote development in the City still remains; and

WHEREAS, in light of the above, staff is proposing an amendment to Ordinance 3163 in order to extend the Deferral Program for an additional year, until December 31, 2012; and

WHEREAS, on January 1, 2013, the time for the payment of fees will revert back to their traditional triggers: building permit issuance or final map approval.

NOW THEREFORE, the City Council of the City of Chula Vista does ordain that:

I. Ordinance 3163 be amended to read as follows:

Section 8. Expiration of this Ordinance

This Ordinance shall take effect thirty days after final passage and shall automatically expire on December 31, 2012, and as of that date, is deemed repealed. Notwithstanding the foregoing, any building permit issued prior to the expiration of this Ordinance shall not be required to pay fees until Final

Ordinance No. _____

Page 2

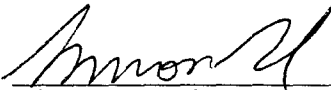
Inspection or Certificate of Occupancy, provided none of the events identified in Section 6(B) have occurred.

- II. All other provisions of Ordinance 3163 shall remain in full force and effect
- III. This amendment to Ordinance 3163 shall take effect 30 days after its second reading and approval.

Presented by:

Approved as to form by:

Gary Halbert, P.E. AICP
Assistance City Manager/ Development
Services Director


Glen R. Googins
City Attorney for David Miller

MINUTES OF A JOINT WORKSHOP OF THE CITY COUNCIL,
PLANNING COMMISSION, AND GROWTH MANAGEMENT OVERSIGHT
COMMISSION OF THE CITY OF CHULA VISTA

April 7, 2011

6:00 p.m.

A joint workshop of the City Council, Planning Commission, and Growth Management Oversight Commission of the City of Chula Vista was called to order at 6:06 p.m. in the Chula Vista Police Department Community Meeting Room, 315 Fourth Avenue, Chula Vista, California.

ROLL CALL:

PRESENT: Councilmembers Aguilar, Bensoussan, Castaneda (arrived at 6:11 p.m.), and Mayor Cox

Planning Commissioners: Bringas, Felber, Liuag, Tripp, Vinson, and Chair Spethman

Growth Management Oversight Commissioners: Bazzel, Doud, Hall, Harry, Lizarraga, Sutton, Torres, and Chair Krogh

ALSO PRESENT: City Manager Sandoval, City Attorney Googins, City Clerk Norris, and Deputy City Clerk Bennett

ABSENT: Councilmember Ramirez (excused)
Planning Commissioner Moctezuma

PLEDGE OF ALLEGIANCE TO THE FLAG AND MOMENT OF SILENCE

Planning Commission Chair Spethman led the Pledge of Allegiance.

PUBLIC COMMENTS

There were none.

PUBLIC HEARING

1. REVIEW AND CONSIDERATION OF THE GROWTH MANAGEMENT OVERSIGHT COMMISSIONS 2011 ANNUAL REPORT (Assistant City Manager/Development Services Director)

Notice of the hearing was given in accordance with legal requirements, and the hearing was held on the date and at the time specified in the notice.

City Manager Sandoval introduced the item.

Advanced Planning Manager Batchelder welcomed the Council and Commissioners and then introduced Associate Planner Vanderbie, who presented a brief history and overview of the GMOC process. She then introduced GMOC Chair Krogh, who provided a summary on the 2011 Annual Report for the period of July 1, 2009 through June 30 2010, and the second half of 2010/2011. He then reported on the non-compliant threshold standards for Libraries, Police Priority II, and Traffic.

Mayor Cox opened the public hearing. There being no members of the public who wished to speak, Mayor Cox closed the public hearing.

1. Libraries

Chair Krogh stated the recommendation by GMOC was that the City Council adopt a Library Facilities Master Plan that provides interim and long-term solutions to bringing the library system into conformance.

Staff response: The Library is in the final stages of completing a Library Facilities Master Plan that provides interim and long-term solutions to bringing the library system into conformance. The plan is expected to be brought to City Council in May 2011.

2. Police

Priority I – In Compliance

Priority KK – Non-compliance

Chair Krogh stated the recommendation by the GMOC was that the City Council direct the Police Department to gather and provide the GMOC with historical, statistical and any other necessary information regarding the Priority II threshold standard in time to support the GMOC's review of the standard in its top-to-bottom review.

Staff response: The Police Department has been gathering the necessary historical and statistical information regarding both Priority I and Priority II threshold times, including survey data for the San Diego regions as well as approximately 30 similar jurisdictions nationwide, in anticipation of the GMOC's top-to-bottom review. The Police Department looks forward to continuing to work with the GMOC in assuring that there are appropriate quality of life standards for police responses to the community.

3. Traffic

Chair Krogh stated the recommendation by the GMOC was that the City Council 1) direct City engineers to implement proposed short-term solutions to the out-of-compliance southbound segment of Heritage Road approaching Olympic Parkway; 2) direct City engineers to move in a timely manner to establish development phasing scenarios indicating necessary construction timing to connecting Heritage Road to Main Street; and 3) in cooperation with other agencies, implement strategies to increase usage of SR-125.

Staff response: The Public Works Department concurs with the GMOC recommendation; recommendation is accepted. The department will continue to make signal-timing changes at Heritage Road/Olympic Parkway. In addition, short-term and long-term solutions are being pursued. First phase short-term solutions are underway while improvements will be included in fiscal year 2011/2012 Capital Improvement Program. The City has hired a traffic engineering consultant to conduct a traffic sensitivity assessment on current traffic conditions and will use this information for Environmental Impact Reports and Public Facilities Financing Plans beng

developed for pending projects in eastern Chula Vista. Other short-term improvements, including signal timing and roadway improvements, will be proposed in the fiscal year 2011/2012 CIP program. Long-term solutions for the construction of Heritage Road between Olympic Parkway and Main Street are also being evaluated and will be implemented as quickly as possible. In spite of the bankruptcy filing for the State Route 125 Toll Road, the City has been actively participating in all toll road matters and will continue to do so.

Discussion ensued regarding the following eight compliant threshold standards:

1. Fiscal

Chair Krogh stated the recommendation by the GMOC was that within 90 days of the date of this report, the City Council agendaize for a Council meeting, action to decide whether or not to adopt a PFDIF prioritization policy or other appropriate mechanism for construction or delivery of the remaining facilities in the PFDIF fund. Commissioner Bazzel suggested to add language to staff's response to the Fiscal threshold to include relative priorities of all PFDIF projects and their affect on threshold standards.

Staff response: Staff recommends that a new approval process for the construction of PFDIF facilities be implemented. This process would require that PFDIF capital projects be brought forward to Council for authorization to proceed prior to significant expenditure of project funds (project design, land acquisition, etc.). At that time, a list of other PFDIF eligible projects would be presented to Council, along with staff's justification for moving forward with the proposed project.

Mayor Cox introduced representatives from the two local water districts to provide independent reports.

Mark Watton, General Manager, Otay Water District, presented information about the Regional Water Supply Diversification process; Otay Water District water supply; future of water rates; Otay Water business model; planning and coordination of water resources between Otay Water and the City.

Peggy Strand, Assistant General Manager, Sweetwater Authority, presented information about water supplies regionally and locally; future planning; proposed future water source diversification; and Sweetwater Authority accomplishments.

Mayor Cox opened the public hearing. There being no members of the public who wished to speak, Mayor Cox closed the public hearing.

Councilmember Castaneda commented on his recent tour of the Bay Delta, and he suggested for the future, to look at water diversification.

City Manager Sandoval explained the staff response to the GMOC recommendations, and staff's concern with establishing a priority list that may not always have the ability to be met as a result of unforeseen circumstances such as emergencies. He suggested the earlier recommendation by Commissioner Bazzel to include the following language in staff's response to the Fiscal component of the report: *...At that time, a list of other PFDIF eligible projects would be presented to the Council, along with Staff's justification for moving forward with the proposed project, and the extent to which project implementation will affect the delivery of other PFDIF facilities and any related affects to growth management threshold compliance.*

2. Fire and Emergency Services

Chair Krogh stated the recommendation by the GMOC that the City Council direct the Fire Department to pursue maintenance/replacement strategies for aging equipment that will ensure that the threshold will continue to be met.

Staff response: As part of the City's Fiscal Health Plan, staff is reviewing maintenance/replacement criteria and funding strategies for aging equipment for all City functions. An updated replacement policy and funding recommendations will be brought forward for Council consideration in fiscal year 2011/2012.

3. Schools

Chair Krogh stated that both Chula Vista Elementary School District (CVESD) and Sweetwater Union High School District were in compliance, but added that there was potential for the CVESD to be non-compliant in the short-term (12-18 months), as well as five years from now.

4. Parks and Recreation

Councilmember Bensoussan commented that there was no mention of parks on the west side in the GMOC report. Commissioner Bazzel responded that the Commission would be addressing issues regarding park development on the west in its top to bottom review. City Manager Sandoval further clarified that legally, it can only be looked at in terms of how it relates to growth, and suggested to have staff acknowledge the deficits that exist in the west.

5. Sewer

No comments.

6. Drainage

No comments.

7. Air Quality

Commissioner Hall suggested to look at what other cities are doing regarding air quality compliance, compared with what Chula Vista is doing.

Discussion ensued regarding the following three non-compliant threshold standards:

1. Libraries

Councilmember Bensoussan suggested looking at partnerships and other innovations to meet Library thresholds, and establishing a threshold for staffing measures. Councilmember Castaneda spoke of the need to prioritize Library staffing levels before construction of new Library facilities. Mayor Cox suggested for next year, to consider hours of operation and staffing as measurable Library thresholds.

2. Police – Priority II

Councilmember Bensoussan asked and Chief Bejarano responded, that false alarm calls had decreased by approximately 20%, and that staff would be working to bring forward to the Council, a proposal to increase penalties for false alarms.

3. Traffic

Mayor Cox commented that SANDAG Board had authorized its staff to pursue negotiations regarding SANDAG's purchase of SR-125, located between the gap connector and the approach to 905.

Commissioner Liuag recommended that the Council direct staff to separate the top to bottom review between growth, and provide a report on critical success factors of a City in general. City Manager Sandoval responded that the City has established new finance policies and procedures and performance standards for each City department.

ACTION: Chair Spethman moved to adopt the following Planning Commission Resolution No. PCM-10-20, heading read, text waived:

- A. RESOLUTION NO. PCM-10-20, RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CHULA VISTA ACCEPTING THE 2011 GMOC ANNUAL REPORT, AND RECOMMENDING ACCEPTANCE BY THE CITY COUNCIL

Commissioner Liuag seconded the motion and it carried 6-0, with Commissioner Moctezuma absent.

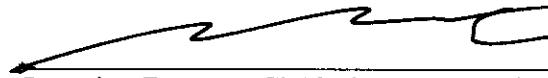
ACTION: Mayor Cox moved to adopt the following Council Resolution No. 2011-059, heading read, text waived:

- B. RESOLUTION NO. 2011-059, RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACCEPTING THE 2011 GMOC ANNUAL REPORT, AND DIRECTING THE CITY MANAGER TO UNDERTAKE ACTIONS NECESSARY TO IMPLEMENT REPORT RECOMMENDATIONS AS PRESENTED IN THE STAFF RESPONSES AND PROPOSED IMPLEMENTING ACTIONS SUMMARY

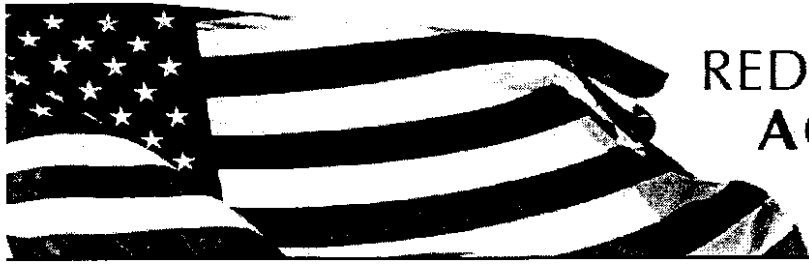
Councilmember Bensoussan seconded the motion and it carried 4-0, with Deputy Mayor Ramirez absent.

ADJOURNMENT

At 8:12 p.m., Mayor Cox adjourned the meeting to the next Regular City Council Meeting on April 12, 2011, at 4:00 p.m., in the Council Chambers.

A handwritten signature in black ink, consisting of a series of connected loops and a final horizontal stroke.

Lorraine Bennett, CMC, Sr. Deputy City Clerk



ATTACHMENT 7
**CITY COUNCIL &
REDEVELOPMENT AGENCY
AGENDA STATEMENT**




MARCH 2, 2010, Item 8

ITEM TITLE:

JOINT RESOLUTION OF THE CHULA VISTA REDEVELOPMENT AGENCY AND CITY COUNCIL AUTHORIZING THE EXECUTIVE DIRECTOR TO SELL FROM THE REDEVELOPMENT AGENCY AND THE CITY MANAGER TO PURCHASE FOR THE CITY OF CHULA VISTA THE 14.41 ACRE SITE (APN 563-350-1300 AND 566-131-0100) LOCATED IN THE LOWER SWEETWATER VALLEY FOR THE APPRAISED VALUE OF APPROXIMATELY \$9.6 MILLION AND APPROVING AN INTERFUND LOAN FROM THE EASTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO THE WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO ACQUIRE THE SITE AND AUTHORIZING THE EXECUTIVE DIRECTOR/CITY MANAGER OR HIS DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS TO CONVEY THE SITE TO THE CITY AND AUTHORIZING THAT THE PROCEEDS OF THE SALE BE APPLIED TO THE OUTSTANDING LOAN BALANCE OWED TO THE CITY'S GENERAL FUND FOR FISCAL YEAR 2010/11.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AGREEING TO REDUCE THE REDEVELOPMENT AGENCY'S OUTSTANDING LOAN BALANCE OWED TO THE GENERAL FUND BY \$4.6 MILLION FOR PREVIOUS LOANS OWED TO THE AGENCY BY THE CHULA VISTA NATURE CENTER.

SUBMITTED BY: DEPUTY CITY MANAGER / DEVELOPMENT SERVICES DIRECTOR 

REVIEWED BY: CITY MANAGER 

4/5THS VOTE: YES ☐ NO ☒

SUMMARY

The Chula Vista Redevelopment Agency previously owed the City of Chula Vista approximately \$31 million from loans made to the Agency for Redevelopment Project Area start up costs and payments made on behalf of the Agency towards Certificates of Participation (COPs) issued to build the parking facility at the Chula Vista Shopping Center in 1987. Over the past two years, the Agency has made significant efforts to reduce the debt owed to the City, anticipating that by

the end of fiscal year 2009/10 the Redevelopment Agency will have repaid, over the last two years, approximately \$9.3 million, reducing the remaining debt to the City to approximately \$21.7 million. To continue to reduce the debt obligations of the Agency, staff recommends that the Agency sell an Agency-owned 14.41 acre site located in the lower Sweetwater Valley to the City and that the Agency be credited for a previous outstanding loan, owed to the Agency, that was forgiven by the City in 2002.

ENVIRONMENTAL REVIEW

The Environmental Review Coordinator has reviewed the proposed action for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 25 (f) (Acquisition, sale, or other transfer to preserve open space or lands for park purposes) categorical exemption pursuant to Section 15325 [Transfer of Ownership of Interest in Land to Preserve Existing Natural Conditions] of the State CEQA Guidelines. Thus, no further environmental review is required.

RECOMMENDATION

That the Chula Vista City Council and Redevelopment Agency approves:

- A. Joint Resolution of the Chula Vista Redevelopment Agency and City Council authorizing the Executive Director to sell the 14.41 acre site (APN 563-350-1300 and 566-131-0100) located in the lower Sweetwater Valley to the City of Chula Vista for the appraised value of approximately \$9.6 million and authorizing the Executive Director/City Manager or his designee to execute all necessary documents to convey the site to the City and authorizing that the proceeds of the sale will be applied to the outstanding loan balance owed to the City's General Fund for Fiscal Year 2010/11.
- B. Resolution of the City Council of the City of Chula Vista agreeing to reduce the outstanding loan balance owed to the General Fund by \$4.6 million for previous loans owed to the Agency by the Chula Vista Nature Center.

BOARDS/COMMISSION RECOMMENDATION

The Chula Vista Redevelopment Corporation voted 6-0-0-1 at their February 25, 2010 Board meeting, unanimously supporting resolution A and 5-0-1-1 in support of resolution B.

DISCUSSION

Loan Repayment Efforts by the Agency

At the close of fiscal year 2007/08 the Redevelopment Agency had an outstanding loan balance owed to the City of Chula Vista of approximately \$31 million. Approximately \$11 million of the outstanding loan balance was from loans made to the Agency for new project area start up costs and interest accrued over the past thirty years. The remaining \$20 million has accrued as a result of the City making annual debt service payments on behalf of the Agency toward Certificates of Participation (COPs) that were issued to build a parking structure for the expansion of the Chula Vista Shopping Center in 1987. During the 1992 to 2007 period, the Agency was unable to cover all of its outstanding debt obligations and continued borrowing a million dollars each year from the City. Fiscal year 2007/08 was the first time in over fifteen years that the Agency was able to meet all of its annual debt service obligations.

During fiscal year 2008/09, the Agency was able to repay the City \$3.7 million from a 2008 Tax Allocation Bond issuance, \$900,000 from unanticipated additional tax increment revenues and approximately \$500,000 in budgetary savings. The total loan repayment for fiscal year 2008/09 was approximately \$5.1 million. By the close of fiscal year 2008/09 the Redevelopment Agency had an outstanding loan balance owed to the City's General Fund of approximately \$26 million.

During the current fiscal year 2009/10 the Agency will repay the General Fund \$1.4 million in bond proceeds for project expenditures and \$2.8 million in projected tax increment revenues. The total anticipated loan repayment for fiscal year 2009/10 is projected to be \$4.2 million. By the end of fiscal year 2009/10 the Agency, over the last two fiscal years, will have reduced the outstanding loan balance owed to the City by approximately \$9.3 million, resulting in a remaining balance of \$21.7 million.

Sale of Agency Owned Land

To continue the effort of reducing the remaining debt obligations owed to the City, staff recommends the Agency sell two Agency owned parcels (APN 563-350-1300 and 566-131-0100) to the City. These parcels have little opportunity for redevelopment and are better suited for long term public use as a park. The site is 14.41 acres located in the lower Sweetwater Valley. The lower Sweetwater Valley site is a vacant site and has a General Plan designation of Open Space Recreation. The site is well suited, and supported by the General Plan and the community, to be a future park and not a redevelopment project. The sale of this land to the City based on an independent appraisal is estimated to be worth \$9.6 million. The sale of this site would leave a remaining outstanding loan balance to the City of approximately \$12.1 million.

Parkland in Western Chula Vista

The 2005 General Plan Update set the City's standard for parks and recreation at 3 acres of public parkland per 1,000 residents. New development is required to provide this additional parkland via the Parkland Acquisition and Development (PAD) in-lieu fee program. The majority of residential development in the eastern portion of the City is greenfield development. As a result, most developers in the east opt to dedicate on-site land to the City for park uses instead of paying the in-lieu fee. In contrast, the majority of residential development in western Chula Vista is infill. Dedication of on-site park acreage is not practical for these projects. Instead, the City collects fees from these projects to apply in the acquisition of parkland to serve the new development. The same infill character which makes dedication of on-site parklands impractical creates challenges for the City in the acquisition of park sites.

In the western portion of the City, the park standard is not currently being met. This is the result of a number of factors including the annexation of the Montgomery Area without parklands sufficient to maintain the park ratio and the use of PAD fees for the reconstruction/rehabilitation of existing parks. Acquisition and development of the subject site into a park, serving western Chula Vista residents, is a large step toward meeting the City's goal of providing 3 acres of parkland per 1,000 residents citywide.

The City has worked to identify potential suitable park sites in western Chula Vista, generally identified in the 2005 General Plan Update and the 2007 Draft Park and Recreation Master Plan. The property proposed for sale by the Agency is one of the places identified as being a suitable

park site. Upon transfer of the property to the City, the Development Services Department would return at a later Council meeting for the Council to consider rezoning the property from single family residential (R1) and unclassified (UNZ) to Public/ quasi public zoning (PQ) designating the site for park purposes.

The proposed park site to be acquired from the Agency will serve and be funded by future western Chula Vista residents, including residents of the Urban Core Specific Planning Area. As a result, the PAD fund has not yet collected sufficient funds from development in western Chula Vista to finance this purchase. It will therefore be necessary to internally borrow the funds within the PAD fund, using funds that have been collected for the purpose of constructing a community park in eastern Chula Vista. The internal loan within the PAD fund will be repaid as funds become available, either as a result of credit acquisitions by the Agency or the payment of PAD fees by developers in western Chula Vista. The Agency will ensure that PAD funds are repaid to fully fund the development of the park for which they were originally collected.

Agency Investment Credits

At the May 2009 CVRC meeting Director Desrochers requested that staff return with a report on what projects, funded by the Agency, could be considered by the City Council as a credit toward the outstanding loan. In reviewing the list of Agency funded projects, the CVRC considered the list and voted 5-0, with one abstention and one absence, to request the City Council reduce the Agency debt owed to the City equal to the Agency investment made as a loan toward the Chula Vista Nature Center that was forgiven in 2002 when the Nature Center was transferred to the City. This debt forgiveness will coincide with the transition of the Nature Center to a non-profit organization.

The Redevelopment Agency funded \$1.6 million of the \$2.5 million in construction cost for the Nature Center, provided monies for exhibits, start up costs and annual operations of the Center. By December 2001, the Nature Center had an outstanding obligation to the Agency, including principal and interest, of approximately \$4.6 million. However, in 2002, the Nature Center, owned and operated by the Bayfront Conservancy Trust, was no longer able to adequately fund its operation and it was decided that the ownership of the Nature Center would be transferred to the City. As part of this transfer the City Council and the Agency each approved resolutions that eliminated the \$4.6 million owed to the Agency without consideration on reducing the debt the Agency owed to the City.

DECISION MAKER CONFLICT

Staff has reviewed the property holdings of the Chula Vista City Council and Redevelopment Agency members and has found no property holdings within 500 feet of the boundaries of the properties that are subject to this action.

CURRENT YEAR FISCAL IMPACT

There is no current fiscal year impact, all transfers and loan will be part of the fiscal year 2010/11 budget.

ONGOING FISCAL IMPACT

Resolution A

Resolution A, if approved by the Redevelopment Agency and the City Council, would generate approximately \$9.6 million in revenue to the Agency that could be utilized to repay the General Fund and reduce the outstanding debt owed to the City. This transaction would result in no net impact to the Agency's fund balance, but would reduce outstanding debt obligations to approximately \$12.1 million.

The purchase of the property from the Agency would be funded by the City using PAD fee monies. The PAD fee program is the City's primary financing mechanism for parkland facilities. All new residential development (including hotels/motels) is subject to the PAD fee, which the City collects and uses to construct new parkland facilities or rehabilitate existing facilities.

The following cash flow reflects the impacts of the proposed property sale on the available fund balances of the Agency and PAD funds for fiscal years 2009/10 through 2014/15. The Agency's fund balance would be available to purchase PAD fee credits to incentivize redevelopment activity in western Chula Vista. Actual property sale amount and credit acquisition schedule will be subject to Council approval.

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
REDEVELOPMENT AGENCY FUNDS						
Est. Available Fund Balance	1,042,000	41,000	943,000	1,590,000	2,402,000	4,303,000
Estimated Revenues						
Tax Increment	14,755,000	15,020,000	15,320,000	15,627,000	15,939,000	16,258,000
Interest Earnings	25,000	25,000	25,000	25,000	25,000	25,000
Sale of Property	-	9,600,000	-	-	-	-
Total Estimated Revenues	14,780,000	24,645,000	15,345,000	15,652,000	15,964,000	16,283,000
Estimated Expenditures						
Low/Mod and Passthroughs	(5,565,000)	(5,760,000)	(5,852,000)	(5,946,000)	(6,042,000)	(6,144,000)
Debt Pmnt - City (Park \$) ¹	-	(9,600,000)	-	-	-	-
Debt Pmnt - City (Non Park) ²	(1,400,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Debt Pmnt - Other	(6,524,000)	(4,285,000)	(4,798,000)	(5,796,000)	(4,963,000)	(5,308,000)
Agency Personnel Costs	(708,000)	(708,000)	(708,000)	(708,000)	(708,000)	(708,000)
Project Expenditures	(1,584,000)	(1,890,000)	(1,840,000)	(890,000)	(850,000)	(850,000)
Total Estimated Expenditures	(15,781,000)	(23,743,000)	(14,698,000)	(14,840,000)	(14,063,000)	(14,510,000)
Est. Available Fund Balance	41,000	943,000	1,590,000	2,402,000	4,303,000	6,076,000
PAD FUND						
Est. Available Fund Balance	35,500,000	29,410,000	20,750,000	21,410,000	22,090,000	22,790,000
Estimated Revenues						
Interest Earnings	910,000	940,000	660,000	680,000	700,000	730,000
Total Estimated Revenues	910,000	940,000	660,000	680,000	700,000	730,000
Estimated Expenditures						
Purchase of Property	-	(9,600,000)	-	-	-	-
Park Project Expenditures	(7,000,000)	-	-	-	-	-

	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Total Estimated Expenditures	(7,000,000)	(9,600,000)	-	-	-	-
Est. Available Fund Balance	29,410,000	20,750,000	21,410,000	22,090,000	22,790,000	23,520,000

¹: The \$9.6 million debt repayment from the Agency to the City is for an existing debt obligation of the Agency. This lump-sum payment shortens the repayment period for the Agency and makes one-time funds available to the City to balance the FY 2010-11 operating budget.

²: Annual debt payment amounts are shown for cash flow forecasting purposes only. The actual payment schedule will be discussed in conjunction with the regular budget process, including potential use of funds for project expenditures.

Total Debt Reduction

Implementation of both recommendations would reduce the outstanding loan balance from the City to the Agency to approximately \$7.5 million, as detailed below. For forecasting purposes, staff anticipates the repayment of the \$7.5 million via annual payments of \$1.5 million each over a five year period. Loan repayments from the Agency to the General Fund over the next five years will be critical to avoid additional staffing cuts and service level impacts. Repayment of the debt will be discussed in conjunction with the regular annual budget process.

DESCRIPTION	AMOUNT (MILLIONS)
Outstanding debt to City (June 30, 2008)	\$31.0
Less payments FY 2009-2010	
FY 2009 repayments (actual)	(5.1)
FY 2010 repayments (budget)	(4.2)
Subtotal	(9.3)
Updated outstanding debt to City	21.7
Less recommended actions	
Sale of Property	(9.6)
Forgiveness of Nature Center Loan	(4.6)
Subtotal	(14.2)
Updated outstanding debt to City	7.5

The reduction of Agency debt to the City would allow greater resources to be available for reinvestment in the redevelopment project areas.

Resolution B

Resolution B, if approved by the City Council, would reduce the debt owed to the City by the Agency by approximately \$4.6 million. This reduction in debt owed to the City would reduce the future repayments from the Agency to the City, forgoing potential future General Fund revenues.

Prepared by: Eric C. Crockett, Redevelopment Manager, Development Services Department

COUNCIL RESOLUTION NO. _____
 AGENCY RESOLUTION NO. _____

JOINT RESOLUTION OF THE CHULA VISTA REDEVELOPMENT AGENCY AND CITY COUNCIL AUTHORIZING THE EXECUTIVE DIRECTOR TO SELL FROM THE REDEVELOPMENT AGENCY AND THE CITY MANAGER TO PURCHASE FOR THE CITY OF CHULA VISTA THE 14.41 ACRE SITE (APN 563-350-1300 AND 566-131-0100) LOCATED IN THE LOWER SWEETWATER VALLEY FOR THE APPRAISED VALUE OF APPROXIMATELY \$9.6 MILLION AND APPROVING AN INTERFUND LOAN FROM THE EASTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO THE WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO ACQUIRE THE SITE AND AUTHORIZING THE EXECUTIVE DIRECTOR/CITY MANAGER OR HIS DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS TO CONVEY THE SITE TO THE CITY AND AUTHORIZING THAT THE PROCEEDS OF THE SALE BE APPLIED TO THE OUTSTANDING LOAN BALANCE OWED TO THE CITY'S GENERAL FUND FOR FISCAL YEAR 2010/11

WHEREAS, the Redevelopment Agency has a \$26 million outstanding loan balance owed to the City of Chula Vista; and

WHEREAS, the Redevelopment Agency over the past two fiscal years has diligently pursued efforts to reduce the outstanding loan balance; and

WHEREAS, the Redevelopment Agency anticipates that by the end of fiscal year 2009/10 it will have reduced the outstanding debt owed to the City to approximately \$21.7 million; and

WHEREAS, the Redevelopment Agency owns a 14.41 acre site located in the lower Sweetwater Valley (APN 563-350-1300 and 566-131-0100); and

WHEREAS, the subject 14.41 acre site is designated by the City's General Plan as Open Space Recreation; and

WHEREAS, the community supports the subject 14.41 acre site as a future public park; and

WHEREAS, the sale of the subject 14.41 acre site to the City for a future park could generate approximately \$9.6 million dollars in Agency proceeds that could further reduce the debt owed to the City; and

WHEREAS, the Chula Vista Redevelopment Corporation recommended at their January 14, 2010 Board meeting that the Redevelopment Agency sell the subject 14.41 acre site to the City of Chula Vista for use as a future public park for an amount equal to the current park acquisition fee collected by the City on development projects in Western Chula Vista; and

WHEREAS, the City will use Parkland Acquisition and Development (PAD) funds to purchase the subject 14.41 acre site from the Redevelopment Agency; and

WHEREAS, the City's Western PAD fund has insufficient funds to purchase the subject 14.41 acre site from the Agency; and

WHEREAS, the City's Eastern PAD fund has sufficient funds to purchase the subject 14.41 acre site; and

WHEREAS, funds from the Eastern PAD fund, in the amount of approximately \$9.6 million, will be loaned to the Western PAD fund to fund the acquisition of the subject 14.41 acre site; and

WHEREAS, if there are insufficient funds in the Eastern PAD fund to construct the park for which they were collected the Redevelopment Agency agrees to purchase credits or loan, up to a maximum amount of \$9.6, to the City's Eastern PAD fund to construct the park; and

WHEREAS, The Environmental Review Coordinator has reviewed the proposed action for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Class 25 (f) (Acquisition, sale, or other transfer to preserve open space or lands for park purposes) categorical exemption pursuant to Section 15325 [Transfer of Ownership of Interest in Land to Preserve Existing Natural Conditions] of the State CEQA Guidelines. Thus, no further environmental review is required.

NOW, THEREFORE, BE IT RESOLVED that the Chula Vista Redevelopment Agency hereby authorizes the Executive Director to sell the 14.41 acre site (APN 563-350-1300 and 566-131-0100) located in the lower Sweetwater Valley to the City of Chula Vista for an amount equal to the current park acquisition fee collected by the City on development projects in Western Chula Vista; and

BE IT FURTHER RESOLVED that the Chula Vista Redevelopment Agency and City Council authorize the Executive Director/City Manager or his designee to execute all necessary documents to convey the subject 14.41 acre site to the City of Chula Vista; and

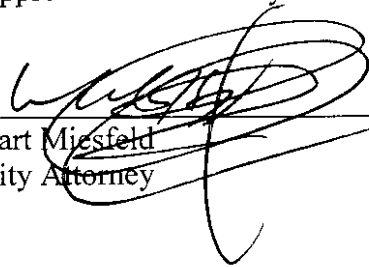
BE IT FURTHER RESOLVED that the City Council approves an interfund loan from the Eastern Parkland Acquisition and Development fund to the Western Parkland Acquisition and Development fund to acquire the site; and

BE IT FURTHER RESOLVED that the Chula Vista Redevelopment Agency hereby authorizes the Executive Director to apply the proceeds of the sale of the subject 14.41 acre site toward the Redevelopment Agency's outstanding loan balance owed to the City of Chula Vista's General Fund for fiscal year 2010/11.

Presented by

Gary Halbert, AICP, PE
Deputy City Manager/Director of
Development Services

Approved as to form by



for Bart Miesfeld
City Attorney

COUNCIL RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA AGREEING TO REDUCE THE
REDEVELOPMENT AGENCY'S OUTSTANDING LOAN
BALANCE OWED TO THE GENERAL FUND BY \$4.6
MILLION FOR PREVIOUS LOANS OWED TO THE AGENCY
BY THE CHULA VISTA NATURE CENTER

WHEREAS, the Redevelopment Agency has a \$26 million outstanding loan balance owed to the City of Chula Vista; and

WHEREAS, the Redevelopment Agency over the past two fiscal years has diligently pursued efforts to reduce the outstanding loan balance; and

WHEREAS, the Redevelopment Agency anticipates that by the end of fiscal year 2009/10 to have reduced the outstanding debt owed to the City of Chula Vista to approximately \$21.7 million; and

WHEREAS, the Redevelopment Agency funded approximately \$1.6 million of the \$2.5 million in construction costs for the Nature Center; and

WHEREAS, the Redevelopment Agency also provided monies for start up costs and annual operations of the Nature Center; and

WHEREAS, when the Nature Center in 2002 was transferred from the Bayfront Conservancy Trust to the City of Chula Vista, the City Council and Redevelopment Agency forgave \$4.6 million dollars in loans owed to the Agency; and

WHEREAS, the Chula Vista Redevelopment Corporation recommended that the City Council reconsider this forgiveness of debt and credit the amount towards the outstanding loan balance of the Agency; and

WHEREAS, staff has reviewed the proposed activity for compliance with the State of California Environmental Quality Act ("CEQA"), California Public Resources Code Section 21000 *et seq.*, and has determined that the activity is not a "Project" as defined under Section 15378(b)(4) of the State CEQA Guidelines, therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA.

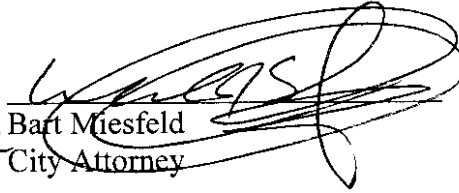
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chula Vista hereby finds that the forgiveness of this debt will provide greater financial resources necessary to accomplish the goals consistent with Community Redevelopment Law and the Bayfront Redevelopment Plan by alleviating and preventing the spread of blight and deterioration of the project areas and shall further protect the health, safety and welfare of the citizens of Chula Vista.

BE IT FURTHER RESOLVED that the City Council of the City of Chula Vista hereby forgives \$4.6 million in an outstanding loan balance owed to the General Fund for previous loans owed to the Redevelopment Agency by the Chula Vista Nature Center.

Presented by

Gary Halbert, AICP, PE
Deputy City Manager/Director of
Development Services

Approved as to form by


for Bart Miesfeld
City Attorney



CITY COUNCIL AGENDA STATEMENT



DECEMBER 6, 2011, Item 19

ITEM TITLE: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CITY MANAGER TO ENTER INTO A PURCHASE AND SALE AGREEMENT FOR A 1.89-ACRE PARCEL ("MCCUNE") TO BE EXCHANGED FOR A PARCEL IN THE LOWER SWEETWATER VALLEY FOR PARK PURPOSES FOR THE NEGOTIATED PRICE OF \$940,000, APPROVING AN INTERFUND LOAN IN THE AMOUNT OF \$310,000 FROM THE EASTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO THE WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO PARTIALLY FUND THE ACQUISITION OF THE SITE, AND APPROPRIATING FUNDS FROM THE EASTERN AND WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FUNDS THEREFOR

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT TO EXCHANGE THE 1.89-ACRE MCCUNE PARCEL (APN# 644-041-41) FOR A 1.89-ACRE PARCEL ("FLOIT") LOCATED IN THE LOWER SWEETWATER VALLEY FOR PARK PURPOSES

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ENTERING INTO AN OPTION AGREEMENT TO EXCHANGE A 9.3-ACRE PARCEL LOCATED ADJACENT TO SR-125 AND EASTLAKE DRIVE FOR AN APPROXIMATE 3.94 ACRE PARCEL LOCATED IN THE LOWER SWEETWATER VALLEY FOR PARK PURPOSES

SUBMITTED BY: ASSISTANT CITY MANAGER  DEVELOPMENT SERVICES DIRECTOR

REVIEWED BY: CITY MANAGER 

4/5THS VOTE: YES ☒ NO ☐

SUMMARY

Currently, western Chula Vista suffers from an imbalance of parkland, in relation to the number of residents living west of Interstate 805. The General Plan Update (2005) designated over 20 acres in the Lower Sweetwater Valley as parkland, with the intention of later building a community park. In 2010, the City acquired 14.25 acres of parkland in that area and has been actively searching for other land to add to this site. Recently, the City was presented with an opportunity to obtain an additional 1.89 acres. A deal has been structured that, if closed, will grant the City fee title to the 1.89 acres and also provide an opportunity to later acquire another 3.94 acres, yielding a community park site of 20.08 acres.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that there is no possibility that the activity, consisting of the purchase of a 1.89 acre lot, may have a significant effect on the environment. Therefore, pursuant to Section 15061 (b)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary. Although environmental review is not necessary at this time, additional environmental review and determination will be required as applicable, prior to the approval of any future project specific development entitlements including, but not limited to, site development plans, building permits, land development permits, and conditional use permits.

RECOMMENDATION

Council adopts the resolutions.

BOARDS/COMMISSION RECOMMENDATION

Not applicable

DISCUSSION

Currently, western Chula Vista suffers from an imbalance of parkland, in relation to the number of residents living west of Interstate 805. The General Plan Update (2005) designated over 20 acres in the Lower Sweetwater Valley as parkland, with the intention of later building a community park. In 2010, the City acquired 14.25 acres of parkland in that area and has been actively searching for other land to add to this site. Recently, the City was presented with an opportunity to obtain an additional 1.89 acres. A deal has been structured that, if closed, will grant the City fee title to the 1.89 acres in the Lower Sweetwater Valley and also provide an opportunity to later acquire another 3.94 acres, yielding a community park site of 20.08 acres.

The deal is structured in three parts: 1) the purchase of a parcel located at [1877 Auto Park Place, Chula Vista, CA ("McCune Parcel") – depicted in **Attachment "A"**; 2) the exchange of the McCune Parcel for the 1.89 acres of parkland ("Floit Parcel") – depicted in **Attachment "B"**; and 3) the grant of an option to Mid City LLC, which if exercised

would provide the City with an additional 3.94 acres of parkland in exchange for a 9.3 acre parcel currently owned by the City. The relevant terms follow:

1. **Purchase Agreement with Richard S. McCune ("Purchase"):**

- a. The City will acquire the 1.89-acre parcel owned by Richard S. McCune for the appraised value of \$940,000 dollars.
- b. The City will make payments in eleven monthly installments of approximately \$85,000 dollars each, using park acquisition and development funds.

2. **Exchange Agreement between the City and Mid-City LLC ("Exchange"):**

- a. The City will exchange the McCune Parcel for a 1.89 acre parcel owned by Mid-City LLC, which will increase the park acreage in the Lower Sweetwater Valley from 14.25 to 16.14 acres (see **Attachment "C"**).
- b. No additional funds will be paid to either party.

It is essential to note that the Purchase and Exchange are contingent upon each other, and the closing on the properties will occur simultaneously.

3. **Option Agreement ("Option"):**

- a. The Managing Member of Mid-City LLC, Mr. Dan Floit, will have three years (and two one-year options to extend) to pursue entitlements on a City-owned 9.3-acre remnant parcel located adjacent to SR-125 and Eastlake Drive (see **Attachment "D"**).
- b. At any time during the option period, Mr. Floit has the right to exercise the option to acquire the City site by exchanging a 3.94-acre site located in the Lower Sweetwater Valley for park purposes (see **Attachment "E"**).
- c. The City retains all of its discretion and is under no obligation to approve any of the entitlements sought by Mr. Floit.
- d. Mr. Floit is responsible for all costs associated with pursuing his entitlements.

Although the size of the City Parcel is over twice the size of the Floit Parcel, the exchange is equitable. The value of the City Parcel to the City is negligible. The site is constrained by the SR-125 to the east, a 300' SDGE easement to the west (approximately 3 acres), topographic/access issues, zoning, and a lack of utility connections. There is currently no water, sewer, or electric service to the site. Additionally, the City has worked with several potential leaseholders, but the obstacles listed above have made all of the projects financially infeasible. Meanwhile, the Floit Parcel offers a unique opportunity for the City to add to its existing parkland in an area already zoned and designated by the General Plan for a community park. Parkland acreage in western Chula Vista is difficult to acquire, due to the cost and the unavailability of large tracts of land.

The Option Agreement will allow the city the opportunity to exchange a remnant parcel¹ of little civic value for ownership of an approximately 3.94-acre parcel of land that can be used for public park purposes in Western Chula Vista. Provided the Purchase and Sale Agreement and the Exchange Agreement are approved and the Option Agreement is exercised by Mr. Floit, the City will have compiled over twenty acres of land that will be dedicated to the future development of a Community Park for Western Chula Vista.

DECISION MAKER CONFLICT

Staff has reviewed the property holdings of the City Council and has found no property holdings within 500 feet of the boundaries of the properties that are the subject of this action.

CURRENT YEAR FISCAL IMPACT

The acquisition of the 1.89-acre parcel will be financed using Parkland Acquisition and Development Fee funds in the amount of \$940,000. The Western Parkland Acquisition and Development Fee ("Western PAD") fund has an available balance of \$630,000 (unaudited estimate, as of November 2011). This full amount will be applied to the purchase of the 1.89-acre parcel, requiring a loan from the Eastern Parkland Acquisition and Development Fee ("Eastern PAD") fund for the remaining \$310,000 of the \$940,000 purchase price.

The proposed \$310,000 loan is an addition to the previously approved \$9.6 million loan from the Eastern PAD to the Western PAD for the purchase of 14.25 acres of parkland in the Lower Sweetwater Valley, increasing the total debt between the funds to \$9.9 million. The Redevelopment Agency pledged to purchase PAD fund credits if western development did not occur before the \$9.6 million in loaned funds were needed for their original park purposes in Eastern Chula Vista (City Council Resolution 2010-052, RDA Resolution 2010-2018). No such pledge is made by the Redevelopment Agency for the proposed additional \$310,000 loan. Repayment of this additional loan will be based solely upon the collection of PAD fees from future development in western Chula Vista.

Payment of the site purchase funds will occur over an eleven-month period, with seven payments anticipated in the current fiscal year. At approximately, \$85,000 per monthly payment, the current fiscal year impact totals \$598,000. This amount is recommended for appropriation in the current fiscal year.

ONGOING FISCAL IMPACT

The Lower Sweetwater Valley park site will serve and be funded by western Chula Vista residents, including residents of the Urban Core Specific Planning Area. The Western PAD fund has not yet collected sufficient funds to finance this purchase, necessitating the previous and proposed interfund loans, \$9.6 million and \$310,000, respectively. These interfund loans will be repaid as funds become available as a result of the payment of PAD fees by developers in western Chula Vista. For the existing \$9.6 million loan, the Redevelopment Agency pledged to purchase PAD fund credits if western development did not occur before the loaned funds were needed for their original park purchases,

¹ The 9.3-acre parcel was dedicated to the City of Chula Vista subsequent to the SR-125 construction.

mitigating impacts to Eastern PAD project construction as a result of the interfund loan. No such pledge is made for this additional \$310,000 loan. As a result, slow development in western Chula Vista may impact the ability of the Western PAD fund to repay the Eastern PAD fund, potentially impacting the timing of Eastern PAD project construction.

The repayment schedule for the proposed \$310,000 loan from the Eastern PAD to the Western PAD will vary based upon the rate at which PAD fee paying development occurs in western Chula Vista. As Western PAD funds are collected, the first priority for the use of the funds will be the repayment of this loan. The interest rate applied to the outstanding loan balance will be based upon the City's pooled interest rate (currently 0.385%). For illustrative purposes, a loan repayment schedule assuming a ten-year repayment term and the application of the current pooled interest rate has been prepared and is included below. The actual repayment schedule will depend upon the collection of PAD fees from new development in western Chula Vista.

**\$310,000 Loan from Eastern PAD to Western PAD
Ten-Year Loan Repayment Schedule**

Date	Principal	Interest Rate	Interest	Debt Service
01/01/2013	\$ 30,466.71	0.385%	\$ 1,193.50	\$ 31,660.21
01/01/2014	\$ 30,584.01	0.385%	\$ 1,076.20	\$ 31,660.21
01/01/2015	\$ 30,701.76	0.385%	\$ 958.45	\$ 31,660.21
01/01/2016	\$ 30,819.96	0.385%	\$ 840.25	\$ 31,660.21
01/01/2017	\$ 30,938.61	0.385%	\$ 721.60	\$ 31,660.21
01/01/2018	\$ 31,057.73	0.385%	\$ 602.48	\$ 31,660.21
01/01/2019	\$ 31,177.30	0.385%	\$ 482.91	\$ 31,660.21
01/01/2020	\$ 31,297.33	0.385%	\$ 362.88	\$ 31,660.21
01/01/2021	\$ 31,417.83	0.385%	\$ 242.38	\$ 31,660.21
01/01/2022	\$ 31,538.76	0.385%	\$ 121.45	\$ 31,660.21
	\$ 310,000.00		\$ 6,602.10	\$ 316,602.10

The current PAD fee applicable to single-family residential development in western Chula Vista is \$9,848 per unit. For multi-family residential development, the fee drops to \$7,308 per unit. In order to meet the annual debt service obligation per the above ten-year repayment schedule, the City would have to collect PAD fees from four to five residential units each year, depending on the land use classification of the units permitted.

Payment of the site purchase funds will occur over an eleven-month period, with four payments anticipated in fiscal year 2012-13. At approximately \$85,500 per monthly payment, the fiscal year 2012-13 impact totals \$342,000. Appropriations in this amount will be included in the proposed fiscal year 2012-13 budget.

ATTACHMENTS

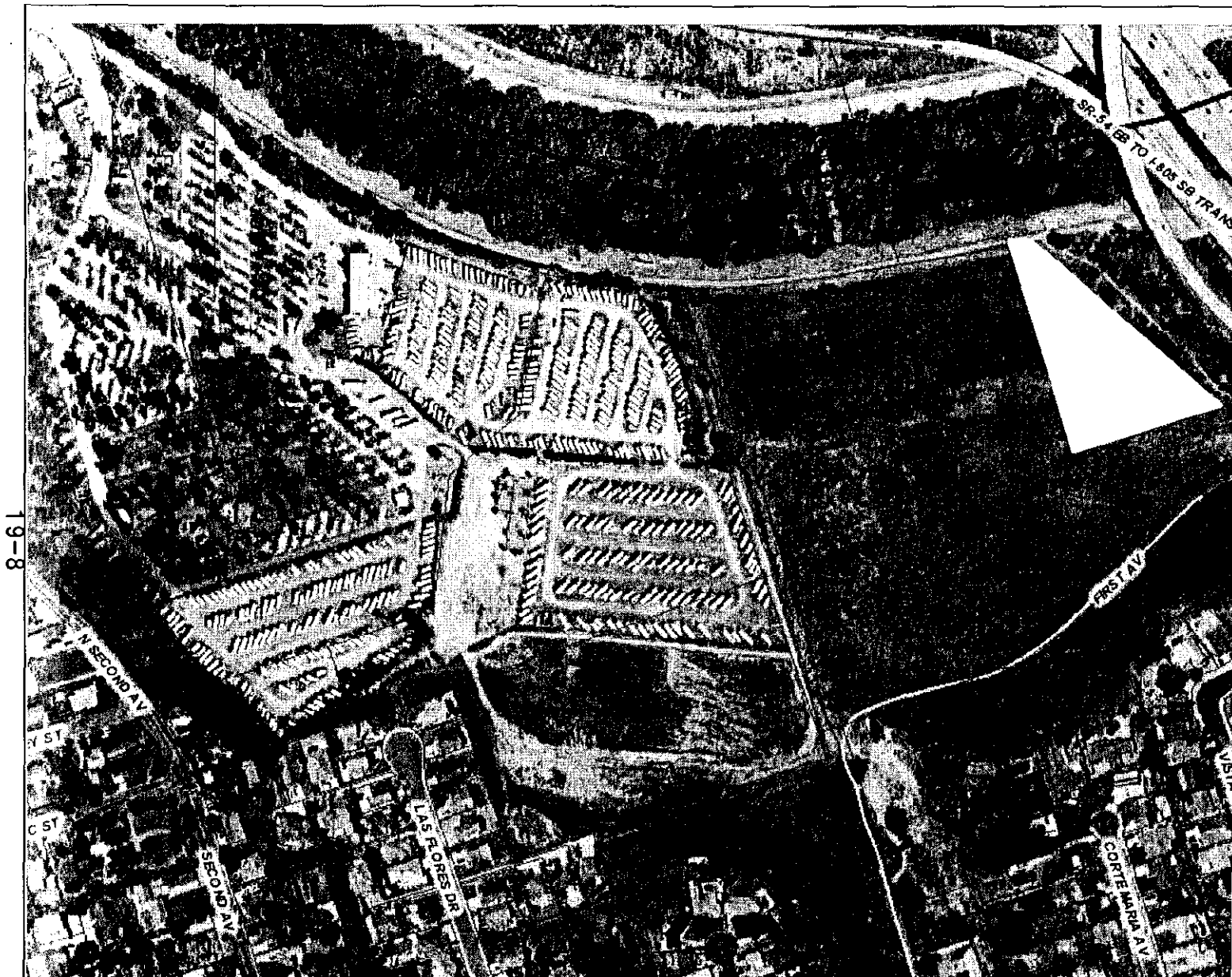
- A. Map of McCune Parcel (1.89 Acres)
- B. Map of Floit Parcel A (1.89 Acres)
- C. Map of Lower Sweetwater Valley parkland area
- D. Map of City Parcel (9.3 Acres)
- E. Map of Floit Parcel B (3.94 Acres)

Prepared by: Eric C. Crockett, Redevelopment Manager



McCune Parcel 9

APN 6440414100



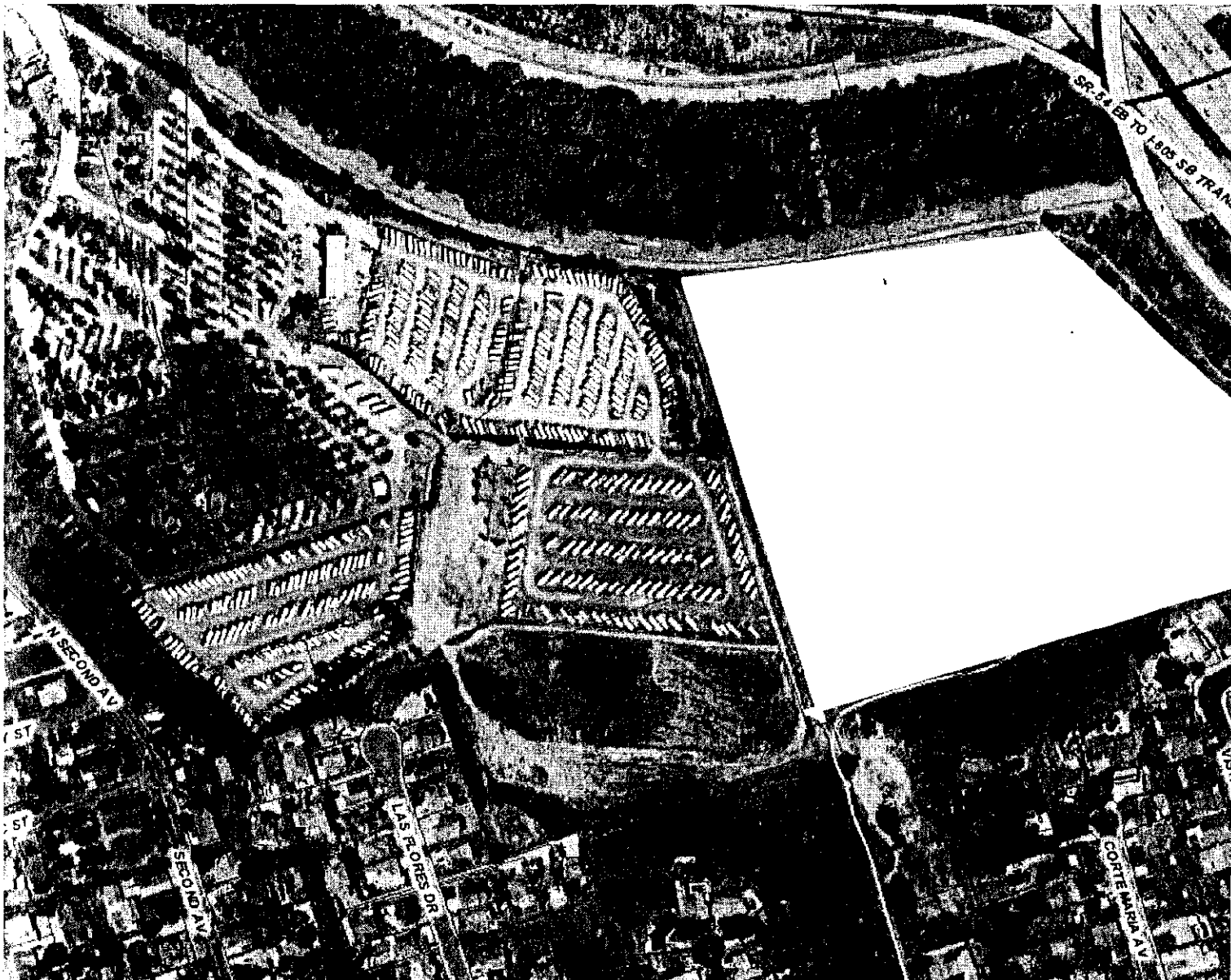
Floit Parcel A



City Boundary

APN 5633501200

19-9
6-9



Future Parkland

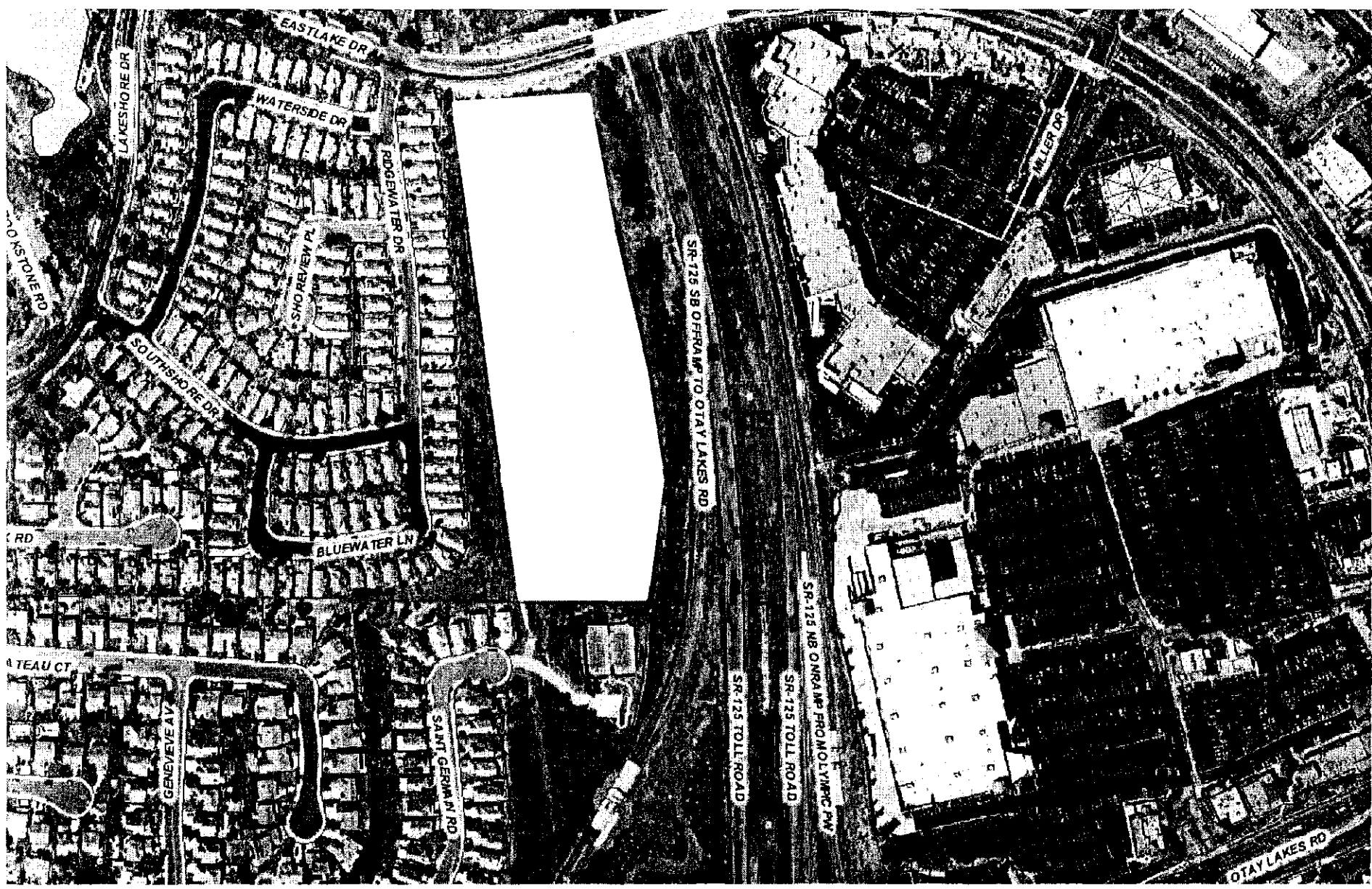


City Boundary



Aggregate Parcel

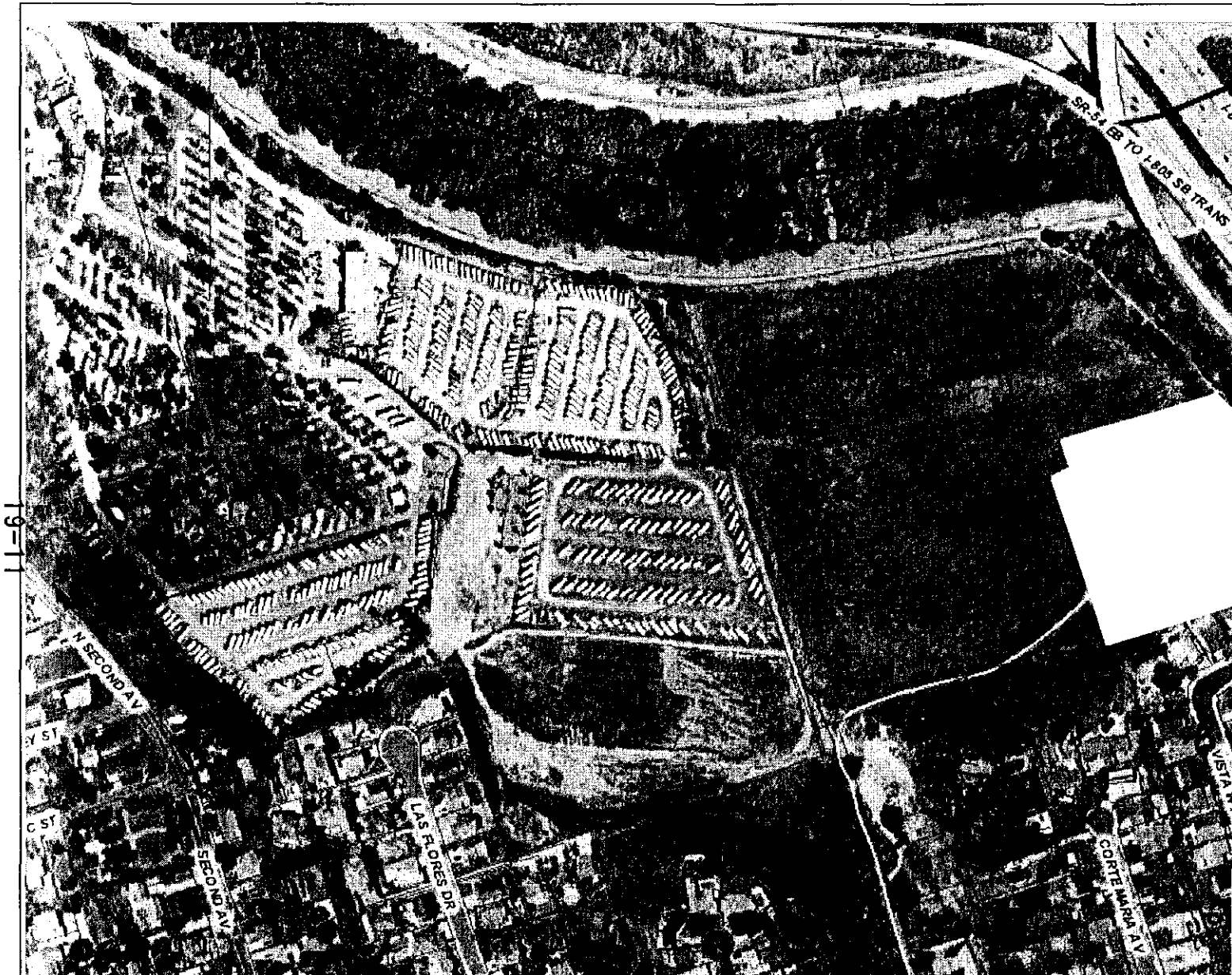
19-10



City Parcel

APN 5950707500 - 9.3 Acres

Attachment D
ATTACHMENT 8



Floit Parcel B

— City Boundary
- - - APN 5661325500 -

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CITY MANAGER TO ENTER INTO A PURCHASE AND SALE AGREEMENT FOR A 1.89-ACRE PARCEL ("MCCUNE") TO BE EXCHANGED FOR A PARCEL IN THE LOWER SWEETWATER VALLEY FOR PARK PURPOSES FOR THE NEGOTIATED PRICE OF \$940,000, APPROVING AN INTERFUND LOAN IN THE AMOUNT OF \$310,000 FROM THE EASTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO THE WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FEE FUND TO PARTIALLY FUND THE ACQUISITION OF THE SITE, AND APPROPRIATING FUNDS FROM THE EASTERN AND WESTERN PARKLAND ACQUISITION AND DEVELOPMENT FUNDS THEREFOR

WHEREAS, western Chula Vista suffers from an imbalance of parkland, in relation to the number of residents living west of Interstate 805; and

WHEREAS, the General Plan Update (2005) designated over 20 acres in the lower Sweetwater Valley as parkland, with the intention of later building a community park; and

WHEREAS, in 2010, the City acquired 14.25 acres of parkland in that area and has been actively searching for other land to add to this site; and

WHEREAS, recently, the City was presented with an opportunity to obtain an additional 1.89 acres; and

WHEREAS, a deal has been structured that, if closed, will grant the City fee title to the 1.89 acres and also provide an opportunity to later acquire another 3.94 acres, yielding a community park site of 20.08 acres; and

WHEREAS, an appraisal for the 1.89 acre site determined the value to be \$940,000 dollars; and

WHEREAS, the seller agrees to accept monthly payments over a period of eleven months, at "no interest", from the City until the balance has been paid; and

WHEREAS, the City proposes to use Parkland Acquisition and Development Fee funds to purchase the 1.89-acre parcel; and

WHEREAS, the unaudited available fund balance of the Western Parkland Acquisition and Development Fee Fund as of November 2011 totals \$630,000, resulting in a funding shortfall of \$310,000; and

Resolution 2011-_____

Page 2

WHEREAS, the City desires to loan Parkland Acquisition and Development Fee funds in the amount of \$310,000 from the Eastern Parkland Acquisition and Development Fee Fund to the Western Parkland Acquisition and Development Fee Fund in order to fully fund the purchase of the 1.89-acre parcel; and

WHEREAS, the loan will be repaid as Western Parkland Acquisition and Development Fee funds are collected from future development; and

WHEREAS, the loan will be subject to the City's pooled interest rate, currently 0.385%; and

WHEREAS, the City will exchange the 1.89-acre parcel for property of equal size in the Lower Sweetwater Valley that will be used for public park purposes.

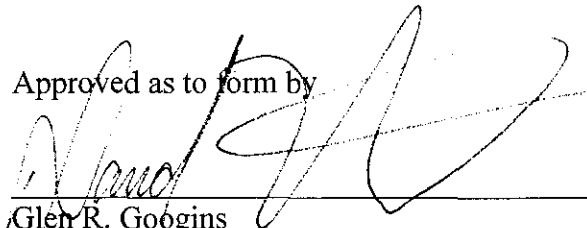
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chula does hereby approve a purchase and sale agreement for a 1.89-acre parcel (APN #644-041-41) in the Chula Vista Auto Park, in substantially the form presented with such minor modifications as may be required and approved by the City Attorney and authorize the City Manager to execute the purchase and sale agreement or any other documents necessary to implement the purchase and sale agreement.

BE IT FURTHER RESOLVED that the City Council of the City of Chula does hereby approve an interfund loan from the Eastern Parkland Acquisition and Development Fee Fund to the Western Parkland Acquisition and Development Fee Fund in the amount of \$310,000, appropriate funds therefore to the Transfers Out expense category of the Eastern Parkland Acquisition and Development Fee Fund, and appropriate \$598,000 to the Capital expenses category of the Western Parkland Acquisition and Development Fee Fund for the purchase of parkland.

Presented by

Gary Halbert, P.E., AICP
Assistant City Manager
Development Services Director

Approved as to form by



Glen R. Googins
City Attorney

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT FOR THE EXCHANGE OF A 1.89-ACRE PARCEL (APN# 644-041-41) LOCATED IN THE CHULA VISTA AUTO PARK FOR A 1.89-ACRE PARCEL LOCATED IN THE LOWER SWEETWATER VALLEY TO BE USED FOR PARK PURPOSES

WHEREAS, Western Chula Vista suffers from an imbalance of parkland in relation to the number of residents living west of Interstate 805; and

WHEREAS, the 2005 General Plan update identified the Lower Sweetwater Valley as an appropriate location to site a new twenty (20)-acre community park; and

WHEREAS, the City of Chula Vista has been proactive in securing available acreage for the development of a new community park in the Lower Sweetwater Valley; and

WHEREAS, the City of Chula Vista, in 2010, acquired 14.25 acres of parkland in the Lower Sweetwater Valley; and

WHEREAS, the City identified a 1.89-acre parcel located in the Lower Sweetwater Valley ("Floit Site") that, if acquired, would increase the acreage of the community park site from 14.25 acres to 16.14 acres; and

WHEREAS, the City proposes to exchange a 1.89-acre parcel in western Chula Vista ("McCune Site"), to be purchased pursuant to a certain "Purchase and Sale Agreement and Joint Escrow Instructions, dated 12/6/11, for the Floit Site; and

WHEREAS, once acquired, the Floit Site will be used for park purposes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chula does hereby approve an Agreement for the Exchange of the 1.89-acre parcel (APN #644-041-41) for a 1.89-acre parcel located in the Lower Sweetwater Valley to be used for park purposes, in substantially the form presented with such minor modifications as may be required and approved by the City Attorney and authorize the City Manager to execute the agreement and any other documents necessary to implement the exchange agreement.

Presented by

Gary Halbert, P.E., AICP
Assistant City Manager
Development Services Director

Approved as to form by

Glen R. Googins
City Attorney

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN OPTION AGREEMENT TO EXCHANGE A 9.3-ACRE PARCEL LOCATED ADJACENT TO SR-125 AND EASTLAKE DRIVE FOR AN APPROXIMATE 3.94-ACRE PARCEL LOCATED IN THE LOWER SWEETWATER VALLEY FOR PARK PURPOSES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT

WHEREAS, Western Chula Vista suffers from an imbalance of parkland, in relation to the number of residents living west of Interstate 805; and

WHEREAS, the 2005 General Plan update identified the Lower Sweetwater Valley as a appropriate location to site a new twenty (20)-acre community park; and

WHEREAS, the City of Chula Vista has been proactive in securing available acreage for the development of a new community park in the Lower Sweetwater Valley; and

WHEREAS, the City of Chula Vista in 2010 acquired 14.25 acres of parkland in the Lower Sweetwater Valley; and

WHEREAS, Dan Floit, the owner of a 3.94-acre parcel, desires to exchange his property located in the Lower Sweetwater Valley for a 9.3-acre City-owned remnant parcel located adjacent to SR-125 and Eastlake Drive; and

WHEREAS, the City proposes to grant an option to Mr. Floit to exchange his 3.94 acre parcel for the 9.3-acre City parcel; and

WHEREAS, the option will be for a term of 3 years with two 1-year extensions, during which term, Mr. Floit shall have the opportunity to pursue entitlements for the site; and

WHEREAS, Mr. Floit understands and agrees that he will be responsible for any and all costs associated with the processing of entitlements; and

WHEREAS, the City of Chula Vista has made no representations concerning Mr. Floit's ability to secure his desired entitlements, but the City will process his application and present it to the appropriate legislative bodies for review and consideration.

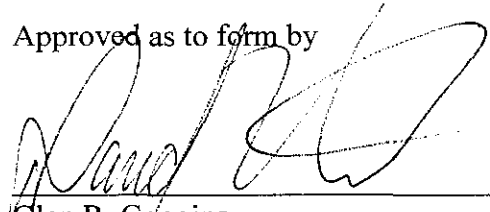
NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chula Vista does hereby approve the Option Agreement to exchange a 9.3-acre parcel located adjacent to SR-125 and Eastlake Drive for an approximately 3.94-acre parcel located in Lower Sweetwater Valley for Park Purposes in substantially the form presented with such minor

modifications as may be required and approved by the City Attorney and authorize the City Manager to execute the Option Agreement and any other documents necessary to implement the Option Agreement.

Presented by:

Approved as to form by

Gary Halbert, P.E., AICP
Assistant City Manager/
Development Services Director



Glen R. Googins
City Attorney

Drainage

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE

(Review Period: 7/1/10 - 6/30/11, to Current Time, and Five-Year Forecast)

DRAINAGE

THRESHOLD STANDARDS:

1. Storm water flows and volumes shall not exceed City Engineering Standards.
 2. The GMOC shall annually review the performance of the City's storm drain system to determine its ability to meet the goals and objectives above.
-

Please provide brief responses to the following:

1. Have storm water flows or volumes exceeded City Engineering Standards at any time during the period under review?

Yes _____ No X

If yes:

- a. Where did this occur?
- b. Why did this occur?
- c. What has been, or is being done to correct the situation?

2. Will any new facilities be required to accommodate the 12- to 18-month growth forecast? If so, please explain.

Yes _____ No X

3. Will any new facilities be required to accommodate the 5-year growth forecast? If so, please explain.

Yes _____ No X

4. What channel maintenance procedures are we using that are acceptable to resource agencies and that facilitate obtaining environmental permits?

The removal of trash, debris, invasive plants, and sediment, as required under the City's NPDES Municipal Storm water Discharge Permit, supports water quality and ensures proper flood control functioning within open channels and basins. Although the Regional Water Quality Control Board has allowed municipalities to remove trash, debris, and dead vegetation by hand from these flood control facilities without an environmental permit, the City is precluded from equipment-assisted activities or removing native wetland and riparian plant

materials and sediment unless the proper, and costly, environmental permits and mitigations (i.e., streambed mitigation, wetland and riparian habitat mitigation, etc.) are first in place. In addition, if threatened or endangered species are present, channel and detention basin cleaning and maintenance activities must take place during a narrow time window – September through February, five months of which are within the official rainy season of October 1st through April 1st. Therefore the maintenance procedures used to facilitate environmental permits are limited to controlling vegetation overgrowth and trash removal. All maintenance activities are done without mechanical equipment.

Do we have appropriate staffing levels and budget resources to keep up with the maintenance schedule?

No. The current Public Works storm drain maintenance-operating budget is \$900,000. The current staff level consists of a supervisor, Public Works Specialist, three Senior Maintenance Workers and two Maintenance Workers to inspect and maintain the current storm drain infrastructure of 276 miles pipes, 296 miles lined and unlined channels, over 20 detention basins and 13,894 storm structures. The California Regional Water Quality Control Board Order NO. R-9-2007-0001 mandates the following for Operation and Maintenance of Municipal Separate Storm Sewer System and Structural Controls:

(3) Operation and Maintenance of Municipal Separate Storm Sewer System (MS4) and Structural Controls

(a) Each Co-permittee shall implement a schedule of inspection and maintenance activities to verify proper operation of all municipal structural treatment controls designed to reduce pollutant discharges to or from its MS4s and related drainage structures.

(b) Each Co-permittee shall implement a schedule of maintenance activities for the MS4 and MS4 facilities (catch basins, storm drain inlets, open channels, etc). The maintenance activities shall, at a minimum, include:

i. Inspection at least once a year between May 1 and September 30 of each year for all MS4 facilities that receive or collect high volumes of trash and debris. All other MS4 facilities shall be inspected at least annually throughout the year.

ii. Following two years of inspections, any MS4 facility that requires inspection and cleaning less than annually may be inspected as needed, but not less than every other year.

iii. Any catch basin or storm drain inlet that has accumulated trash and debris greater than 33% of design capacity shall be cleaned in a timely manner. Any MS4 facility that is designed to be self-cleaning shall be cleaned of any accumulated trash and debris immediately. Open channels shall be cleaned of observed anthropogenic litter in a timely manner.

iv. Record keeping of the maintenance and cleaning activities including the overall quantity of waste removed.

v. Proper disposal of waste removed pursuant to applicable laws.

vi. Measures to eliminate waste discharges during MS4 maintenance and cleaning activities.

Current staffing levels are unable to fulfill the current State requirements let alone address all the non-funded areas throughout the city with storm drain infrastructure that require structural maintenance or replacement, routine weed abatement and silt and debris removal to maintain channel and detention basin capacity. In addition, the city will also have to consider cost of time-consuming multi-agency permit process for each segment where crews or contractors need to remove vegetation and debris.

5. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

Developers in eastern Chula Vista will be required to provide all necessary facilities and their respective share of maintenance costs to accommodate their impact. Additional facilities or the reconstruction of existing facilities may be needed in order to accommodate new development in western Chula Vista where the parcels are redeveloped at a higher density or where development encroaches onto natural drainage areas. This will be reviewed with respect to the Hydro-modification Plan, in effect as of January 2011, as development and redevelopment occurs.

Insufficient funds may result in an increased potential for flooding, particularly in western Chula Vista, for collapse of corroded CMP and for erosion, particularly in natural channels and canyons. For the City's NPDES program, it could result in impairment of water quality within receiving waters and create a condition of non-compliance with the Municipal Permit, exposing the City to penalties.

PREPARED BY:

Name: Roberto N. Yano, Sr. Civil Engineer
Dave McRoberts, Wastewater Collections Manager
Khosro Amnipoor, Sr. Civil Engineer

Date: 12/01/2011

Schools

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to the Current Time, and Five-Year Forecast)

SCHOOLS - CHULA VISTA ELEMENTARY SCHOOL DISTRICT

THRESHOLD STANDARD:

The City shall annually provide the two local school districts with a 12- to 18-month forecast and request an evaluation of their abilities to accommodate the forecast and continuing growth. The districts replies should address the following:

1. Amount of current capacity now used or committed;
2. Ability to absorb forecasted growth in affected facilities;
3. Evaluation of funding and site availability for projected new facilities; and
4. Other relevant information the districts desire to communicate to the City and GMOC.

1. Please complete the table below, indicating the current enrollment and capacity conditions.

EXISTING CONDITIONS - NOVEMBER 2011							
Schools	Current Enrollment	Building Capacity		Amount Under/Over Capacity*	Overflow Out	Overflow In	Comments
		Permanent	Portables				
NORTHWEST							
Cook	481	459	133	-111			
Feaster-Edison	1084	420	766	-102			
Hilltop Drive	570	466	95	9			
Mueller	892	422	441	29			
Rosebank	670	426	305	-61			
Vista Square	590	372	344	-126			
SOUTHWEST							
Learning Comm.	658	616	62	-20			
Castle Park	410	432	146	-168			
Harborside*	634	413	449	-228			
Kellogg	351	403	226	-278			
Lauderbach*	822	536	426	-140			
Loma Verde	497	426	233	-162			
Montgomery	410	359	124	-73			
Otay*	587	488	286	-187			
Palomar	356	444	0	-88			
Rice	769	492	213	64			
Rohr	384	452	13	-81			
SOUTHEAST							
Arroyo Vista	862	659	164	39			
Olympic View	799	444	328	27			
Parkview	421	481	102	-162			

Rogers	499	605	13	-119			
Valle Lindo	563	444	225	-106			
Hedenkamp	1021	1045	0	-24			
Heritage	989	743	120	126			
Veterans	856	664	186	6			
McMillin	855	772	73	10			
Wolf Canyon	942	736	113	93			
NORTHEAST							
Allen/Ann Daly	398	457	0	-98			
Casillas	606	550	146	-90			
Chula Vista Hills	557	532	80	-55			
Clear View	522	380	186	-44			
Discovery	832	535	412	-115			
Eastlake	610	470	237	-97			
Halecrest	461	483	80	-102			
Liberty	713	800	0	-87			
Marshall	735	617	144	-26			
Salt Creek	1013	799	186	28			
Tiffany	532	459	206	-133			
TOTAL	24,947	20301	7263	-2252			

*QEIA School

2. Please complete the tables below (insert new schools into the tables, as appropriate) to indicate the projected conditions for (a) December 2012 and (b) December 2016, based on the City's forecast.

2 a.

13- MONTH FORECASTED CONDITIONS -- DECEMBER 2012							
Schools	Projected Enrollment 12/31/12	Projected Capacity		Amount Over/Under Capacity*	Overflow Out	Overflow In	Comments
		Permanent	Portables				
NORTHWEST							
Cook	451	459	133	-237			
Feaster-Edison	1090	420	766	-75			
Hilltop Drive	569	466	95	54			
Mueller	892	422	441	150			
Rosebank	613	426	305	-37			
Vista Square	600	372	344	-75			
SOUTHWEST							
Learning Comm.	658	616	62	-20			
Castle Park	418	432	146	-160			
Harborside	623	413	449	-239			
Kellogg	335	403	226	-294			
Lauderbach	856	536	426	-106			
Loma Verde	497	426	233	-162			
Montaomery	408	359	124	-75			

Otay	571	488	286	-203			
Palomar	370	444	0	-74			
Rice	796	492	213	91			
Rohr	370	452	13	-95			
SOUTHEAST							
Arroyo Vista	824	659	164	1			
Olympic View	731	444	328	-41			
Parkview	406	481	102	-177			
Rogers	499	605	13	-119			
Valle Lindo	563	444	225	-106			
Hedenkamp	985	1045	0	-60			
Heritage	875	743	120	12			
Veterans	876	664	186	26			
McMillin	824	772	73	-21			
Wolf Canyon	1038	736	113	189			
NORTHEAST							
Allen/Ann Daly	388	457	0	-108			
Casillas	588	550	146	-108			
CV Hills	547	532	80	-65			
Clear View	545	380	186	-21			
Discovery	828	535	412	-119			
Eastlake	589	470	237	-118			
Halecrest	486	483	80	-77			
Liberty	709	800	0	-91			
Marshall	700	617	144	-61			
Salt Creek	989	799	186	4			
Tiffany	521	459	206	-144			

*(-) denotes amount Under capacity

2.b

FIVE-YEAR FORECASTED CONDITIONS -- DECEMBER 2016							
Schools	Projected Enrollment 12/31/16	Projected Capacity		Amount Over/Under Capacity*	Overflow Out	Overflow In	Comments
		Permanent	Portables				
NORTHWEST							
Cook	355	459	133	-237			
Feaster-Edison	1111	420	766	-75			
Hilltop Drive	615	466	95	54			
Mueller	1013	422	441	150			
Rosebank	694	426	305	-37			
Vista Square	641	372	344	-75			
SOUTHWEST							
Learning Comm.	665	616	62	-13			
Castle Park	445	432	146	-133			
Harborside	773	413	449	-89			

Kellogg	335	403	226	-294			
Lauderbach	979	536	426	17			
Loma Verde	450	426	233	-209			
Montgomery	419	359	124	-64			
Otay	513	488	286	-261			
Palomar	410	444	0	-34			
Rice	892	492	213	187			
Rohr	535	452	13	70			
SOUTHEAST							
Arroyo Vista	785	659	164	-38			
Olympic View	680	444	328	-92			
Parkview	388	481	102	-195			
Rogers	556	605	13	-62			
Valle Lindo	612	444	225	-57			
Hedenkamp	847	1045	0	-198			
Heritage	778	743	120	-85			
Veterans	982	664	186	132			
McMillin	718	772	73	-127			
Wolf Canyon	1200						Approximately 422 students are expected to be generated from projected development in Eastern Chula Vista
		736	113	351			
NORTHEAST							
Allen/Ann Daly	363	457	0	-133			
Casillas(move SE)	544	550	146	-152			
Chula Vista Hills	533	532	80	-79			
Clear View	549	380	186	-17			
Discovery	946	535	412	-1			
Eastlake	590	470	237	-117			
Halecrest	483	483	80	-80			
Liberty	683	800	0	-117			
Marshall	594	617	144	-167			
Salt Creek	867	799	186	-118			
Tiffany	504	459	206	-161			

*(-) denotes amount under capacity

3. Please complete the table below to indicate enrollment history.

ENROLLMENT HISTORY					
	2010-2011	2009-2010	2008-09	2007-08	2006-07
NORTHWEST SCHOOLS					
Total Enrollment	4,287	4,414	4,537	4,447	4,445
% of Change Over the Previous Year	-2.88%	-3%	2%	1%	1%
% of Enrollment from Chula Vista				90%	
SOUTHWEST SCHOOLS					
Total Enrollment	5,878	5,955	6,208	5,892	5,979

% of Change Over the Previous Year	-1.29%	-4%	5%	-1%	-2%
% of Enrollment from Chula Vista				90%	
SOUTHEAST SCHOOLS					
Total Enrollment	7,807	7,243	7,328	6,923	6,525
% of Change Over the Previous Year	7.79%	-1%	6%	6%	2%
% of Enrollment from Chula Vista				90%	
NORTHEAST SCHOOLS					
Total Enrollment	6,884	7,021	7,252	7,105	7,021
% of Change Over the Previous Year	1.32	-3%	2%	1%	6%
% of Enrollment from Chula Vista				90%	
DISTRICT WIDE					
Total Enrollment	27,765	27,521	28,224	27,251	26,919
% of Change Over the Previous Year	.89%	-2%	3%	2%	4%
% of Enrollment from Chula Vista				90%	98%

Please provide brief responses to the following:

4. Are existing facilities/schools able to accommodate forecasted growth for the next 12 to 18 months? If not, please explain.

Yes ☒ No ☐

5. Are existing facilities/schools able to accommodate forecasted growth for the next five years? If not, please explain.

Yes ☐ No ☒

We are beginning construction on the Otay Ranch Village 11 School site March 2012 to open July 2013. So we anticipate that we will have the facilities to house all of the projected pupils.

6. Please complete the new schools status table, below.

NEW SCHOOLS STATUS						
School	Site Selection	Architectural Review/Funding ID for Land and Construction	Commencement of Site Preparation	Service by Utilities and Road	Commencement of Construction	Time Needed By
ORV11	X	X	X	X	March 2012	July 2013

7. Is adequate funding secured and/or identified for maintenance of new and existing facilities? If not,

please explain.

Yes ☒X

No ☐

8. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

PREPARED BY:

Name: Carolyn Scholl

Title: Facilities Planning Manager

Date: December 20, 2011

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to the Current time, and Five-Year Forecast)

SCHOOLS - SWEETWATER UNION HIGH SCHOOL DISTRICT

THRESHOLD STANDARD:

The City shall annually provide the two local school districts with a 12- to 18-month forecast and request evaluations of their abilities to accommodate the forecast and continuing growth. The districts' replies should address the following:

1. Amount of current capacity now used or committed;
2. Ability to absorb forecasted growth in affected facilities;
3. Evaluation of funding and site availability for projected new facilities; and
4. Other relevant information the districts desire to communicate to the city and GMOC.

1. Please complete the table below, indicating the current enrollment and capacity conditions.

EXISTING CONDITIONS – NOVEMBER 2011

Schools	Current Enrollment 11/11	Building Capacity Permanent/Portables (Note 1)		Adjusted Building Capacity*	Physical Education Capacity	Within Capacity	Overflowed In or Out	Comments
NORTHWEST								
Chula Vista Middle	1,042	812	503	1,315	234	X		
Hilltop Middle	1,062	1,046	136	1,182	187	X		
Chula Vista High	2,675	1,725	1,106	2,831	187	X		
Hilltop High	2,044	1,854	419	2,273	187	X		
SOUTHWEST								
Castle Park Middle	1,023	1,231	170	1,401	187	X		
Castle Park High	1,583	1,340	697	2,037	187	X		
Palomar High	462	593	0	593	0	X		
Chula Vista Adult	2,835	N/A	N/A	N/A	N/A	X		
SOUTHEAST								
Eastlake High	2,646	1,469	880	2,349	234	Note 1		
Eastlake Middle	1,581	1,504	0	1,504	187	X		
Otay Ranch High	2,603	2,028	404	2,432	187	X		
Olympian High (HS#13)	1,720	1,942	0	1,942	187	X		
NORTHEAST								
Bonita Vista High	2,221	1,449	795	2,244	187	X		
Bonita Vista Middle	1,062	907	385	1,292	187	X		
Rancho Del Rey Middle	1,571	1,524	0	1,524	140	X		
**TOTAL	23,295	19,424	5,495	24,919	2,478	X		

*Capacity is the adjusted building capacity plus physical education capacity. It excludes students and capacity assigned to special abilities clusters and learning centers. Capacity figures have been updated to reflect Proposition O Modernization work.

**Total for Current Enrollment does not include Chula Vista Adult Enrollment

Note 1: Overflow capacity is accommodated on-site through creative master scheduling and increases in class size.

2. Please complete the tables below (insert new schools into the tables, as appropriate) to indicate the projected conditions for (a) December 2012 and (b) December 2016, based on the city's forecast.

2.a

13-MONTH FORECASTED CONDITIONS -- DECEMBER 2012								
Schools	Projected Enrollment 12/31/12	Building Capacity Permanent/Portables (Note 1)		Adjusted Building Capacity*	Physical Education Capacity	Within Capacity	Overflowed In or Out	Comments
NORTHWEST								
Chula Vista Middle	1,002	812	503	1,315	234	X		
Hilltop Middle	1,085	1,046	136	1,182	187	X		
Chula Vista High	2,744	1,725	1,106	2,831	187	X		
Hilltop High	1,963	1,854	419	2,273	187	X		
SOUTHWEST								
Castle Park Middle	1,000	1,231	170	1,401	187	X		
Castle Park High	1,790	1,340	697	2,037	187	X		
Palomar High	462	593	0	593	0	X		
Chula Vista Adult	2,835	N/A	N/A	N/A	N/A	X		
SOUTHEAST								
Eastlake High	2,790	1,469	880	2,349	234	Note 1		
Eastlake Middle	1,596	1,504	0	1,504	187	X		
Otay Ranch High	2,619	2,028	404	2,432	187	X		
Olympian High	1,721	1,942	0	1,942	187	X		
NORTHEAST								
Bonita Vista High	2,295	1,449	795	2,244	187	X		
Bonita Vista Middle	954	907	385	1,292	187	X		
Rancho del Rey Middle	1,612	1,524	0	1,524	140	X		

*Capacity is the adjusted building capacity plus physical education capacity. It excludes students and capacity assigned to special abilities clusters and learning centers. Capacity figures have been updated to reflect Proposition O Modernization work.
 Note 1: Overflow capacity is accommodated on-site through creative master scheduling and increases in class size.

2.b

FIVE-YEAR FORECASTED CONDITIONS -- DECEMBER 2016								
Schools	Projected Enrollment 12/31/16	Building Capacity Permanent/Portables		Adjusted Building Capacity* Note 1	Physical Education Capacity	Within Capacity	Overflowed In or Out	Comments
NORTHWEST								
Chula Vista Middle	1,300	812	503	1,315	234	X		
Hilltop Middle	875	1,046	136	1,182	187	X		
Chula Vista High	2,700	1,725	1,106	2,831	187	X		
Hilltop High	1,800	1,854	419	2,273	187	X		
SOUTHWEST								
Castle Park Middle	800	1,231	170	1,401	187	X		
Castle Park High	1,400	1,340	697	2,037	187	X		
Palomar High	425	593	0	593	0	X		
Chula Vista Adult	2,835	N/A	N/A	N/A	N/A	X		
SOUTHEAST								
Eastlake High	2,700	1,469	880	2,349	234	Note 1		
Eastlake Middle	1,600	1,504	0	1,504	187	X		
Otay Ranch High	2,800	2,028	404	2,432	187	Note 1		
Olympian (HS#13)	2,250	1,942	0	1,942	187	Note 1		
MS #12	Note 1	1,000	0	1,000	187	Note 1		
HS #14	Note 1	2,000	0	2,000	187	Note 1		
NORTHEAST								
Bonita Vista High	1,900	1,449	795	2,244	187	X		
Bonita Vista Middle	900	907	385	1,292	187	X		
Rancho del Rey Middle	1,500	1,524	0	1,524	140	X		

*Capacity is the adjusted building capacity plus physical education capacity. It excludes students and capacity assigned to special abilities clusters and learning centers. Capacity figures have been updated to reflect Proposition O Modernization work

Note 1: District staff currently projects the need for Middle School No. 12 and High School No. 14 no earlier than 2015. The school will relieve Eastlake, Otay Ranch and Olympian High Schools. Since attendance boundaries have not been established, enrollment projections cannot be made nor can we project exactly how the affected schools' enrollment will be reduced.

3. Please complete the table below to indicate enrollment history.

ENROLLMENT HISTORY					
	2010-2011	2009-10	2008-09	2007-08	2006-07
NORTHWEST SCHOOLS					
Total Enrollment	6,823	7,067	7,242	7,446	7,434
% of Change Over the Previous Year	-3.5%	-2.4%	-2.7%	0.2%	0.9%
% of Enrollment from Chula Vista	88%	88%	88%	89%	88%
SOUTHWEST SCHOOLS					
Total Enrollment	3,068	2,977	3,064	3,281	3,423
% of Change Over the Previous Year	3.1%	-2.8%	-6.6%	-4.2%	-4.6%
% of Enrollment from Chula Vista	92%	94%	94%	94%	95%
SOUTHEAST SCHOOLS					
Total Enrollment	8,550	8,446	8,242	7,857	7,512
% of Change Over the Previous Year	1.2%	2.5%	4.9%	4.6%	5.4%
% of Enrollment from Chula Vista (Note 1)	94%	95%	94%	96%	87%
NORTHEAST SCHOOLS					
Total Enrollment	4,854	4,938	5,088	5,133	5,003
% of Change Over the Previous Year	-1.7%	-1.4%	-2.4%	2.6%	0.1%
% of Enrollment from Chula Vista	72%	72%	71%	94%	95%
DISTRICT WIDE					
Total Enrollment	40,740	41,580	42,420	42,839	42,408
% of Change Over the Previous Year	-2.02%	-1.98%	-0.98%	1.0%	1.7%
% of Enrollment from Chula Vista	55%	49%	48%	57%	55%

4. Are existing facilities/schools able to accommodate forecasted growth through the next 12 to 18 months? If not, please explain.

Yes X No

5. Are existing facilities/schools able to accommodate forecasted growth for the next five years? If not, please explain.

Yes No X

District will need construct Middle School No. 12 and may need to construct High School No. 14 within the next 5 years.

6. Please complete the new schools status table, below.

NEW SCHOOLS STATUS						
School	Site Selection	Architectural Review/Funding ID for Land and Construction	Beginning of Site Preparation	Service by Utilities and Road	Beginning of Construction	Time Needed By
MS #12	Complete	Complete	Complete	Complete	Est. 2014	Est. 2016
HS #14	Complete	Complete	Complete	Complete	Est. 20114	Est. 2016

7. Is adequate funding secured and/or identified for maintenance of new and existing facilities/schools? If not, please explain.

Yes X No

8. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

The unstable economy and high foreclosure rate make the 5-year projections for east Chula Vista very tentative. The timing of Middle School 12 and High School 14 may change significantly as the economy recovers.

PREPARED BY:

Name: Planning Department

Date: January 11, 2012

Sewer

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE

(Review Period: 7/1/10 - 6/30/11, to the Current Time, and Five-Year Forecast)

SEWER

THRESHOLD STANDARDS

1. Sewage flows and volumes shall not exceed City Engineering Standards (75% of design capacity).
2. The City shall annually provide the San Diego Metropolitan Sewer Authority with a 12- to 18-month development forecast and request confirmation that the projection is within the City's purchased capacity rights and an evaluation of their ability to accommodate the forecast and continuing growth, or the City Public Works Services Department staff shall gather the necessary data. The information provided to the GMOC shall include the following:
 - a. Amount of current capacity now used or committed.
 - b. Ability of affected facilities to absorb forecasted growth.
 - c. Evaluation of funding and site availability for projected new facilities.
 - d. Other relevant information.

The growth forecast and Authority response letters shall be provided to the GMOC for inclusion in its review.

Please update the table below:

SEWAGE - Flow and Treatment Capacity						
Million Gallons per Day (MGD)	08/09 Fiscal Year	09/10 Fiscal Year	10/11 Fiscal Year	18-month Projection	5-year Projection	"Buildout" Projection*
Average Flow	16.517	16.225	16.272	16.629**	17.880**	26.20*
Capacity	20.864	20.864	20.864	20.864	20.864	20.864

*Buildout Projection based on 2005 Wastewater Master Plan

**Growth rate per the "Residential Growth Forecast Years 2012 through 2016"

Please provide brief responses to the following:

1. Have sewage flows or volumes exceeded City Engineering Standards (75% of design capacity) at any time during the period under review? If yes, please indicate where, when and why this occurred, and what has been, or will be done, to correct the situation.

Yes _____ No _____X_____

2. Are current facilities adequate to accommodate the 12- to 18-month forecasted growth? If not, what facilities need to be added, and is there adequate funding for future facilities, including site availability?

Yes X

No

3. **Are current facilities adequate to accommodate the 5-year forecasted growth? If not, what facilities need to be added, and is there adequate funding for future facilities, including site availability?**

Yes X

No

4. **Is adequate funding secured and/or identified for maintenance of existing facilities? If not, please explain.**

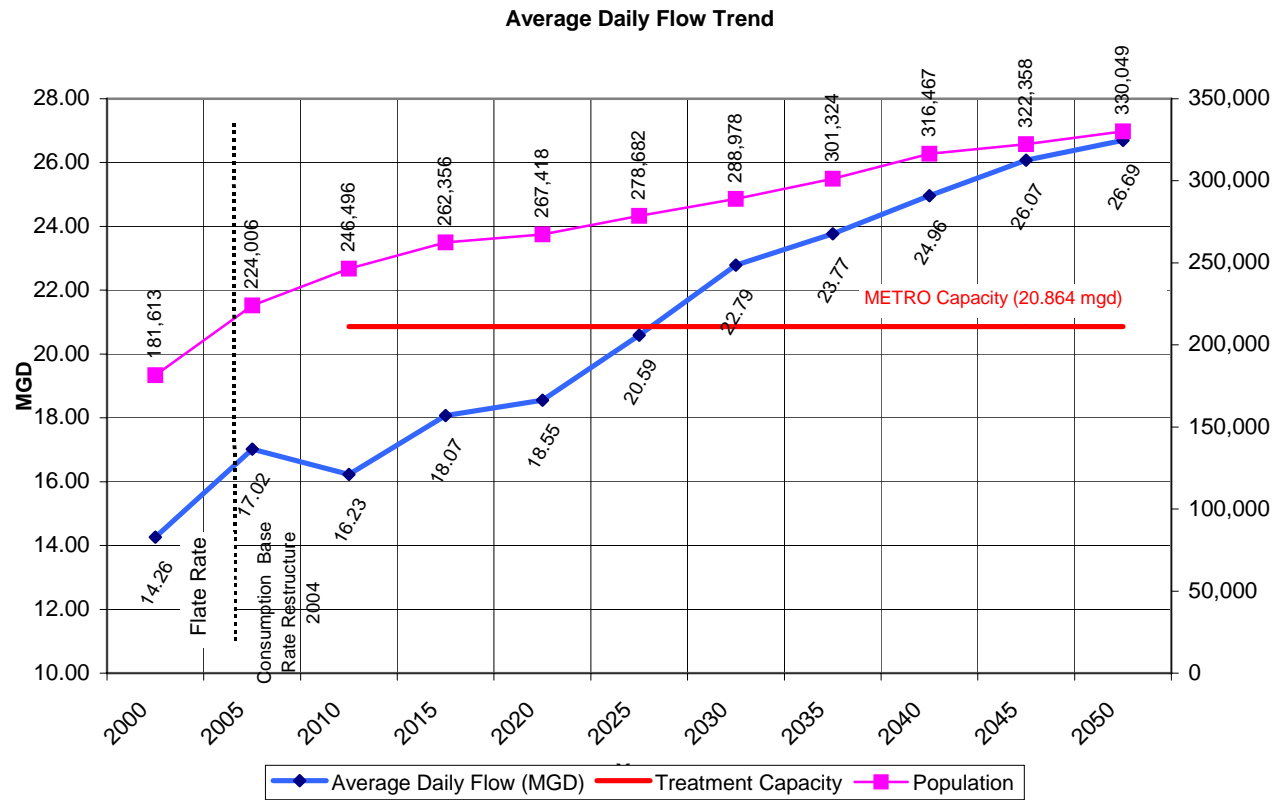
Yes X

No

5. **Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.**

The 2005 Wastewater Master Plan estimated that the City would need about 5.336 MGD of additional treatment capacity at build out from the 20.864 the City owns today. The City has been evaluating options on how to meet said need. In 2011, City staff conducted a study evaluating the feasibility of constructing a sewer treatment facility in the City of Chula Vista, as well as the purchasing of additional treatment capacity rights from other agencies within the Metro system. The final draft of the study shows that it is feasible to construct a six (6) MGD treatment plant when compared to purchasing capacity from San Diego or other participating agencies. However, City of Chula Vista residents continue to conserve water both indoors and outdoors and thus sewer discharge continues to decrease. This means that the build out treatment capacity required could be less than what the 2005 master plan estimated. The option of building a Chula Vista's treatment plant becomes less feasible as the required treatment capacity diminishes. Staff is now working on an update to the 2005 master plan in order to verify the build out treatment capacity needs of the City. Said update is scheduled to be completed in 2013. City staff will then compare the cost per gallon of both options.

The actual City growth continues to be less than projected. This combined with conservation efforts as explained above have granted the City with additional time to better understand the options available to meet the build out need. At current growth projections, the City has enough capacity for the next 10 years (see graph below). The graph shows the City's average daily flow will reach the City's purchased treatment capacity rights sometime during the 10- year period of year 2020 to Year 2030. The City will continue its diligent efforts to secure treatment capacity before it is needed.



PREPARED BY:

Name: Roberto Yano
Title: Sr. Civil Engineer
Date: 12/1/2011

Air Quality

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE <i>(Review Period: 7/1/10 - 6/30/11 to Current Time and Five-Year Forecast)</i>
AIR QUALITY – City of Chula Vista

THRESHOLD STANDARD

The GMOC shall be provided with an annual report which:

1. Provides an overview and evaluation of local development projects approved during the prior year to determine to what extent they implemented measures designed to foster air quality improvement pursuant to relevant regional and local air quality improvement strategies.
2. Identifies whether the City's development regulations, policies and procedures relate to, and/or are consistent with current applicable Federal, State and regional air quality regulations and programs.
3. Identifies non-development related activities being undertaken by the City toward compliance with relevant Federal, State and local regulations regarding air quality, and whether the City has achieved compliance.

The City shall provide a copy of said report to the Air Quality Pollution Control District (APCD) for review and comment. In addition, the APCD shall report on overall regional and local air quality conditions, the status of regional air quality improvement implementation efforts under the Regional Air Quality Strategy and related Federal and State programs, and the affect of those efforts/programs on the City of Chula Vista and local planning and development activities.

Please provide brief responses to the following:

1. Regarding development that occurred during the period under review, please provide an overview of how measures designed to foster air quality improvement, pursuant to relevant regional and local air quality improvement strategies, were implemented.

Development within Chula Vista is guided by a number of policies and planning documents to help improve local air quality. The Chula Vista General Plan, which provides a blueprint for future development, highlights the City's goal to "improve local air quality by minimizing the production and emission of air pollutants and toxic air contaminants and limit the exposure of people to such pollutants (Objective E6)." Through the Plan, the design and siting of new projects are evaluated and modified to promote multi-use, compact development which favors pedestrians, biking, and public transit over owner-occupied vehicles. In the last year, the City's Design Manual, which guides the design of smaller development projects, was updated to emphasize improved air quality by more robustly promoting urban forests and sustainable design concepts. In addition, Air Quality Improvement Plans (AQIPs), which are required for new larger developments, were completed for Otay Ranch Villages 8 (west) and 9, representing 6,050 residential units and 1.8 million square feet of commercial space.

Energy efficiency and renewable energy opportunities – that also contribute to local air quality improvements - within new development projects are pursued through the City's Sustainable Communities program, which works to integrate "clean energy" into the permitting and inspection process. Since January 2010, program staff provided technical support to over 2,470 permit applicants, contractors, and other public agencies on energy efficiency building measures. In addition, over 100 staff training sessions have been organized to educate permit counter technicians, plans examiners, and building inspectors on advanced energy technologies. Finally, the program facilitated approximately 670 new/remodeled buildings meeting the City's green building and enhanced energy efficiency standards.

- 2. Are Chula Vista's development regulations, policies and procedures consistent with current applicable federal, state and regional air quality regulations and programs? If not, please explain any inconsistencies, and indicate actions needed to bring development regulations, policies and/or procedures into compliance.**

Yes X

No

The City of Chula Vista's development standards meet and/or exceed regional, state, and federal air quality regulations. In addition to a revised Design Manual (described under question 1), Chula Vista recently became the first jurisdiction in southern California to expand its *Climate Action Program* to include climate "adaptation" strategies designed to reduce the community's vulnerability to expected local climate change impacts including more poor air quality and heat wave days. Some of these 11 climate adaptation strategies – specifically strategies #1 (cool paving), #2 (shade trees), #3 (cool roofs), and #6 (extreme heat education) – will directly help improve local air quality by mitigating the urban heat island effect (which contributes to ground-level ozone) and will help educate community members about air quality levels as the strategies begin to be implemented over the next 3 years.

Over the past year, the City of Chula Vista collaborated with other regional jurisdictions through the San Diego Association of Governments (SANDAG) to update the Regional Transportation Plan. The new plan will be the first in the state to comply with California Senate Bill 375 that directs local governments to reduce transportation-related greenhouse gas emissions through more sustainable land use practices. This new plan will include a regional "Sustainable Communities Strategy" which would ultimately lower emissions by 7% by 2020 and 13% by 2035.

Finally, City staff in coordination with community stakeholders has continued to develop policies and regulations for evaluating the siting of future Electrical Generating Facilities (EGFs) within the City to protect the public health and safety. The resulting policy will provide guidelines for making decisions regarding local EGF sitings that are consistent with the intent and spirit of an open, transparent, and inclusive public process. The policy also recognizes the City's commitment to transitioning to a less dependent fossil fuel burning (carbon-based) future in an economically and environmentally sustainable manner. General Plan policies and Zoning Ordinance provisions will also be updated, as appropriate, in order to provide clear regulations under the new EGF siting policy.

- 3. Are there any new non-development-related air quality programs/actions that the city is implementing or participating in? If so, please list and provide an explanation of each.**

Regional Electric Vehicle Projects

To support the deployment of zero emission electric vehicles, the City of Chula Vista continues to promote new electric charging stations within its jurisdiction and to recruit residents and businesses, who may be interested in taking advantage of federal and state incentives for the vehicles and receiving free charging stations. The City is also a founding member of a new San Diego Plug-in Electric Vehicle Coordinating Council (PEVCC), which is being organized by SANDAG and is funded through a California Energy Commission grant to help provide direction to the development of a comprehensive regional readiness plan for plug-in electric vehicles.

Students Taking Active Routes to Schools (STARTS) Project

Over the last year, the City was awarded a SANDAG grant for its *Students Taking Active Routes To Schools* (STARTS) project in order to facilitate non-motorized transportation and improve local air quality. The project is evaluating street and sidewalk infrastructure for connectivity and coverage around the middle schools in Chula Vista. Through outreach and survey efforts at the schools, the City is also determining current travel patterns of students and safety concerns of parents that will enable the City to develop and distribute a suggested school routes pedestrian/bike map based on the collected information. The STARTS project is mainly focusing on a 1-mile radius around the following five middle schools in the City of Chula Vista: Bonita Vista Middle School, Castle Park Middle School, Chula Vista Middle School, Eastlake Middle School, and Hilltop Middle.

Home Upgrade, Carbon Downgrade

With funding through federal Energy Efficiency & Conservation Block Grants, Chula Vista launched its *Home Upgrade, Carbon Downgrade* program in 2010 to provide technical assistance and financial support to community members interested in installing energy-saving retrofits at their properties. Through the program, over 2,500 point-of-sale rebates have been distributed to residents for energy-efficient appliances at Home Depot, Sears, Best Buy, Pacific Sales, and K-Mart) since its inception. The program has also distributed over \$100,000 and \$50,000 in incentives and 0%-interest loans, respectively, to homeowners to help them upgrade their homes' energy performance.

Free Resource & Business Energy Evaluations (FREBE)

As part of the annual business licensing process, storefront and office-based businesses are required to participate in the City's *Free Resource & Energy Business Evaluation* program. The program offers free, onsite energy and water evaluations to help businesses identify ways to reduce energy/waster use and lower monthly utility costs. In 2011, over 900 businesses participated in the program and approximately 60% integrated a no or low-cost efficiency improvement as a result of their evaluations (based on post-evaluation participant surveys).

Public CNG Dispenser

The City of Chula Vista, in coordination with Clean Energy LLC, recently renovated the Compressed Natural Gas (CNG) fueling station located at the Public Works Corp Yard. The new fueling infrastructure will allow residents and other commercial fleets to refuel their vehicles at the site and pay using their credit cards. The new station fills a major gap in regional alternative fuel infrastructure and helps promote cleaner-burning transportation technologies in the community. During the station's first month of operation, over 2,000 gallons gas equivalent were distributed to local users.

4. Identify any significant reductions in air quality emissions.

One of the most significant reductions in air quality emissions since the last GMOC report has been the decommissioning of the South Bay Power Plant. The 702 megawatt plant, which represented the largest point-source for air quality emissions in Chula Vista, ceased operation on January 1, 2011 and will be demolished over the following two years.

5. How many residents and/or commercial facilities have added solar panels in the last year?

During the past year, 138 permits have been issued for solar hot water and solar photovoltaic systems at residential and non-residential properties.

6 Are there any new non-development-related program efforts that the city needs to undertake pursuant to federal, state or regional air quality regulations? If so, please list and provide a brief explanation of each.

Yes _____ No X

7. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

A core component of the City's air quality improvement efforts is its *Climate Action Program*. Although the program specifically focuses on greenhouse gas (GHG) emissions reductions, the resulting policies and initiatives also contribute to lowering criteria air pollutants. Over the next 6 months, the City will be working to perform a "gap" analysis of its *Climate Action Plan*. This quantitative exercise involves forecasting community emissions in 2020 and calculating the GHG emission reductions resulting from planned local, regional, state, and federal climate action measures. In the end, the analysis will allow staff to determine if there is a "gap" between expected 2020 emissions levels and the City's GHG emissions reduction goal. As part of this effort, the City will also reevaluate its original emissions reduction goal (to reduce emissions 20% below 1990 levels) to determine if it needs to be updated, accordingly. Based on results from other municipal governments, who have undergone a similar exercise, the City may also consider shifting its baseline year to 2005 to be consistent with Assembly Bill 32 (the California Global Warming Solutions Act) and other state guidelines. Finally, in an effort to broaden the scope of information provided as a part of its GHG emission inventories, the City will begin to incorporate a more detailed analysis related to materials management, which will better track emission reductions from Chula Vista recycling and composting efforts.

PREPARED BY:

Name: Brendan Reed

Title: Environmental Resource Manager

Date: 12/14/11

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to Current Time and Five-Year Forecast)

AIR QUALITY - AIR POLLUTION CONTROL DISTRICT

THRESHOLD STANDARD

The GMOC shall be provided with an annual report which:

1. Provides an overview and evaluation of local development projects approved during the prior year to determine to what extent they implemented measures designed to foster air quality improvement pursuant to relevant regional and local air quality improvement strategies.
2. Identifies whether the City's development regulations, policies and procedures relate to, and/or are consistent with current applicable Federal, State and regional air quality regulations and programs.
3. Identifies non-development specific activities being undertaken by the City toward compliance with relevant Federal, State and local regulations regarding air quality, and whether the City has achieved compliance.

The City shall provide a copy of said report to the Air Pollution Control District (APCD) for review and comment. In addition, the APCD shall report on overall regional and local air quality conditions, the status of regional air quality improvement implementation efforts under the Regional Air Quality Strategy and related Federal and State programs, and the affect of those efforts/programs on the City of Chula Vista and local planning and development activities.

1. Please update the table below:

SMOG TRENDS - Number of Days Over Standards						
	2006	2007	2008	2009	2010	2011
STATE STANDARDS						
San Diego Region	23	21	18	8	7	5
Chula Vista	0	2	1	1	1	0
FEDERAL STDS						
San Diego Region	14	8	11	4	1	3
Chula Vista	0	1	0	0	0	0

Please provide brief responses to the following:

2. How does air quality in areas that surround Chula Vista affect Chula Vista's air quality?

Monitoring data show that ozone levels in Chula Vista are generally lower than in many other areas

of the region. Therefore, it appears that Chula Vista is not disproportionately impacted by ozone-precursor emissions from surrounding areas.

3. Please note any additional information relevant to regional and local air quality conditions during the period under review.

As of 2011, San Diego County's air quality attained the ozone national ambient air quality standard that the U.S. EPA established in 1997.

4. Were there any changes in federal or state programs, during the period under review, that could affect Chula Vista?

Yes _____ No X

If yes, please explain:

5. Are there existing or future RAQS programs that Chula Vista needs to be aware of?

Yes _____ No X

If yes, please explain:

6. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

PREPARED BY:

Name: Carl Selnick
Title: Air Quality Specialist
Date: February 9, 2012

Water

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE
(Review Period: 7/1/10 - 6/30/11, to Current Time, and Five-Year Forecast)

WATER - OTAY WATER DISTRICT

THRESHOLD STANDARDS:

1. Developer will request and deliver to the City a service availability letter from the Otay Water District or Sweetwater Authority for each project.
2. The City shall annually provide the San Diego County Water Authority, the Sweetwater Authority, and the Otay Water District with a 12- to 18-month development forecast and request an evaluation of their ability to accommodate the forecast and continuing growth. The replies should address the following:
 - a. Water availability to the City and Planning Area, considering both short and long term perspectives.
 - b. Amount of current capacity, including storage capacity, now used or committed.
 - c. Ability of affected facilities to absorb forecasted growth.
 - d. Evaluation of funding and site availability for projected new facilities.
 - e. Other relevant information the agencies desire to communicate to the City and GMOC.

-
1. Please complete the tables below.

WATER DEMAND AND CAPACITY MGD (Million Gallons Per Day)								
	Potable Water					Non-Potable Water		
Timeframe	Demand	Supply Capacity		Storage Capacity		Demand	Supply Capacity	Storage Capacity
		Local	Imported	Treated	Raw			
5 –Year Projection (ending 6/30/16)	38.3	0.4	143.5	218.6	0.0	4.4	7.2	43.7
12-18 Month Projection (ending 6/30/13)	30.0	0.0	143.5	218.6	0.0	3.6	7.2	43.7

FY 2011/12 (ending 6/30/12)	28.1	0.0	143.5	218.6	0.0	3.6	7.2	43.7
FY 2010/11 (ending 6/30/11)	26.85	0.0	143.5	218.6	0.0	3.59	7.2	43.7
FY 2009/10 (ending 6/30/10)	30.9	0.0	137.5	219.6	0.0	3.48	7.2	43.7
FY 2008/09 (ending 6/30/09)	37.1	0.0	137.5	215.4	0.0	4.02	7.2	43.7

Sources of Water – FY 2010/11 (MG – Millions of Gallons)			
Water Source	Capacity (MGD)	Percentage of Total Capacity	Actual Use (MGD)
San Diego County Water Authority	121.5	80.6%	19.85
Helix Water District	12.0	8.0%	7.0
City of San Diego	10.0	6.6%	0.0
RWCWRF (Otay Water District)	1.2	0.8%	0.94
SBWRP (San Diego)	6.0	4.0%	2.65
Total	150.7	100.0%	30.44

Please provide brief responses to the following:

- 2. Do current facilities have the ability to serve forecasted growth for the next 12 to 18 months? If not, please list any additional facilities needed to serve the projected forecast, and when and where they would be constructed.**

Yes X No

The existing potable and recycled water systems have the ability to serve forecasted growth within the City of Chula Vista over the next 12 to 18 month time frame.

- 3. Do current facilities have the ability to serve forecasted growth for the next five years? If not, please list any additional facilities needed to serve the projected forecast, and when and where they would be constructed.**

Yes No X

The existing potable and recycled water systems with inclusion of the following near term list of Otay Water District capital improvement program (CIP) project facilities, together they are anticipated to be needed to serve forecasted growth within the City of Chula Vista over the next five year time frame.

The listed CIP projects are in various stages of development from planning through

construction completion including some with pending developer reimbursement expenditure release. The CIP project details such as total project budget, project description, justification, funding source, projected expenditures by year, project mapping, etc. are provided within the current Otay Water District Fiscal Year 2012 through 2017 CIP documents.

<u>CIP Project No.</u>	<u>CIP Project Title</u>
P2037	Res – 980 – 3 Reservoir 5 MG
P2104	PL - 12-Inch, 711 Zone, La Media Road - Birch/Rock Mountain
P2106	PL – 12-Inch, 711 Zone, La Media Road – Rock Mtn/Otay Valley
P2107	PL - 12-Inch, 711 Zone, Rock Mountain Road - La Media/SR 125
P2135	PL – 20-Inch, 980 Zone, Otay Lakes Road – Wueste/Loop
P2325	PL - 10" to 12" Oversize, 1296 Zone, PB Road - Rolling Hills Hydro PS/PB Bndy
P2399	PL - 30-Inch, 980 Zone, 980 Reservoirs to Hunte Parkway
P2402	PL - 12-Inch, 624 Zone, La Media Road - Village 7/Otay Valley
P2431	Res - 980-4 Reservoir 5 MG
R2028	RecPL - 8-Inch, 680 Zone, Heritage Road - Santa Victoria/Otay Valley
R2042	RecPL - 8-Inch, 944 Zone, Rock Mountain Road - SR-125/EastLake
R2047	RecPL - 12-Inch, 680 Zone, La Media Road - Birch/Rock Mountain
R2082	RecPL - 24-Inch, 680 Zone, Olympic Parkway - Village 2/Heritage
R2083	RecPL - 20-Inch, 680 Zone, Heritage Road - Village 2/Olympic
R2084	RecPL - 20-Inch, 680 Zone, Village 2 - Heritage/La Media
R2085	RecPL - 20-Inch, 680 Zone, La Media - State/Olympic

4. **Are there any new major maintenance/upgrade projects to be undertaken pursuant to the current year and 6-year capital improvement program projects that are needed to serve the City of Chula Vista? If yes, please explain.**

Yes X No

The following is a list of the maintenance, replacement, and/or upgrade projects within the FY 2012 six-year Otay Water District capital improvement program (CIP) that are planned and anticipated to be needed to serve the City of Chula Vista. The CIP project details such as total project budget, project description, justification, funding source, projected expenditures by year, project mapping, etc. are provided within the current Otay WD Fiscal Year 2012 through 2017 CIP documents.

<u>CIP Project No.</u>	<u>CIP Project Title</u>
P2366	APCD Engine Replacements and Retrofits
P2382	Safety and Security Improvements
P2458	AMR Manual Meter Replacement
P2473	PS - 711-1 Pump Station Improvement
P2477	Res - 624-1 Reservoir Cover Replacement
P2484	Large Water Meter Replacement Program
P2485	SCADA Communication System and Software Replacement
P2493	624-2 Reservoir Interior Coating and Upgrades
P2496	Otay Lakes Road Utility Relocations
P2507	East Palomar Street Utility Relocation
P2513	East Orange Avenue Bridge Crossing

P2520	Motorola Mobile Radio Upgrade
P2521	Large Meter Vault Upgrade Program
R2091	RecPS - 927-1 Pump Station Upgrade (10,000 GPM) and System Enhancements
R2096	RWCWRF - Upgrades and Modifications
R2099	Recycled System Air and Vacuum Valve Retrofit

5. Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.

The Otay Water District has anticipated growth, effectively managed the addition of new facilities and documented water supply needs. Service reliability levels have been enhanced with the addition of major facilities that provide access to existing storage reservoirs and increase supply capacity from the Helix Water District Levy Water Treatment Plant, the City of San Diego South Bay Water Reclamation Plant, and the City of San Diego Otay Water Treatment Plant. This is due to the extensive and excellent planning Otay Water District has done over the years including the Water Resources Master Plan and the annual process to have the capital improvement program projects funded and constructed in a timely manner corresponding with development construction activities and water demand growth that require new or upgraded facilities. The process of planning followed by the Otay Water District is to use Water Resource Master Plan (WRMP) as a guide and to reevaluate each year the best alternatives for providing reliable water system facilities.

Growth projection data provided by SANDAG, the City of Chula Vista, and the development community was used to develop the WRMP. The Otay Water District need for a ten-day water supply during a SDCWA shutdown is actively being implemented and has been fully addressed in the WRMP and the Integrated Water Resources Plan (IRP). The IRP incorporate the concepts of water storage and supply from neighboring water agencies to meet emergency and alternative water supply needs. The Otay Water District works closely with City of Chula Vista staff to insure that the necessary planning information remains current considering changes in development activities and land use planning revisions within Chula Vista such as the Otay Ranch.

The Otay Water District WRMP defines and describes the new water facilities that are required to accommodate the forecasted growth within the entire Otay Water District. These facilities are incorporated into the annual Otay Water District six-year CIP for implementation when required to support development activities. As major development plans are formulated and proceeds through the City of Chula Vista approval processes, the Otay Water District typically requires the developer to prepare a Sub-Area Master Plan (SAMP) for the specific development project consistent with the WRMP. This SAMP document defines and describes all the water and recycled water system facilities to be constructed to provide an acceptable and adequate level of service to the proposed land uses. The SAMP also defines the financial responsibility of the facilities required for service. The Otay Water District through collection of water meter capacity fees, water rates, and other sources of revenue funds those facilities identified as CIP projects. These funds were established to pay for the CIP project facilities. The developer funds all other required water system facilities to provide water service to their project. The SAMP identifies the major water transmission main and distribution pipeline facilities which are typically located within the roadway alignments.

The Otay Water District plans, designs, and constructs water system facilities to meet projected ultimate demands to be placed upon the potable and recycled water systems.

Also, the Otay Water District forecasts needs and plans for water supply requirements to meet projected demands at ultimate build out. The water facilities are constructed when development activities require them for adequate cost effective water service. The Otay Water District assures that facilities are in place to receive and deliver the water supply for all existing and future customers.

The Otay Water District, in concert with the City of Chula Vista, continues to expand the use of recycled water. The Otay Water District continues to actively require the development of recycled water facilities and related demand generation within new development projects within the City of Chula Vista. The City of Chula Vista and Otay Water District are nearing completion of a feasibility study to provide the City with projected needed sewer disposal capacity and production of recycled water.

The near term water supply outlook remains unsettled while the City of Chula Vista's long-term growth should be assured of a reliable water supply. Water supply agencies throughout California continue to face climatological, environmental, legal, and other challenges that impact water source supply conditions, such as the court ruling regarding the Sacramento-San Joaquin Delta issues. Challenges such as these essentially always will be present. The regional water supply agencies, the SDCWA and MWD, along with Otay Water District nevertheless fully intend to have sufficient, reliable supplies to serve demands.

The continued close coordination efforts with the City of Chula Vista and other agencies have brought forth significant enhancements for the effective utilization of the region's water supply to the benefit of all citizens.

PREPARED BY:

Name: Robert Kennedy, P.E.

Title: Senior Civil Engineer

Date: December 1, 2011

GROWTH MANAGEMENT OVERSIGHT COMMISSION 2012 QUESTIONNAIRE

(Review Period: 7/1/10 - 6/30/11, to Current Time, and Five-Year Forecast)

WATER - SWEETWATER AUTHORITY

THRESHOLD STANDARDS

1. Developer will request and deliver to the City a service availability letter from the Water District for each project.
2. The City shall annually provide the San Diego County Water Authority, the Sweetwater Authority, and the Otay Municipal Water District with a 12- to 18-month development forecast and request an evaluation of their ability to accommodate the forecast and continuing growth. The district's replies should address the following:
 - a. Water availability to the City and Planning Area, considering both short and long term perspectives.
 - b. Amount of current capacity, including storage capacity, now used or committed.
 - c. Ability of affected facilities to absorb forecast growth.
 - d. Evaluation of funding and sited district's desire to communicate to the City and GMOC.
 - e. Other relevant information the agencies desire to communicate to the City and GMOC.

1. Please complete the table below.

WATER DEMAND AND CAPACITY MGD (Million Gallons Per Day)								
	Potable Water					Non-Potable Water		
Timeframe	Demand	Supply Capacity		Storage Capacity		Demand	Supply Capacity	Storage Capacity
		Local	Imported	Treated	Raw			
5 –Year Projection (ending 6/30/16)	20.0	40	30	44.55	17,421	n/a	n/a	n/a
12-18 Month Projection (ending 6/30/13)	19.2	36	30	43.35	17,421	n/a	n/a	n/a

FY 2011/12 (ending 6/30/12)	n/a	36	30	43.35	17,421	n/a	n/a	n/a
FY 2010/11 (ending 6/30/11)	18.8	36	30	43.35	17,421	n/a	n/a	n/a
FY 2009/10 (ending 6/30/10)	18.6	36	30	43.35	17,421	n/a	n/a	n/a
FY 2008/09 (ending 6/30/09)	20.3	36	30	43.35	17,421	n/a	n/a	n/a

Notes:

- The use of local vs. imported water sources is highly dependent on weather conditions and is, therefore, unpredictable. Based on a 20 year average, 55 percent of water demand has been imported.
- Table values are for all of Sweetwater Authority which only serves a portion of Chula Vista.
- Production demand is taken from the Sweetwater Authority Fact Sheet.
- 12-18 month, and 5 year potable water production demand projection taken from Table 4-2 of the SWA Master Plan Update 2010.
- Local supply components include the Perdue Water Treatment Plant (30 mgd), Reynolds Desalination Plant (4 mgd), and National City Wells (2 mgd), for a total of 36 mgd, or 13,140 MG per year. The Reynolds Desalination Plant production is scheduled to increase to 8 mgd in 2012 bringing the local supply capacity to 40 mgd or 14,600 MG per year.
- Imported supply includes 30 mgd, or 10,950 MG per year of imported raw water treated at the Perdue Plant. SWA can substitute, or supplement this with imported treated water through its 40 mgd treated water connection. Total supply capacity, however is limited by conveyance capacity and imported water availability.
- Total yearly supply capacity of 36 mgd, or 13,140 MG per year, includes the Perdue Water Treatment Plant (30 mgd), Reynolds Desalination Plant (4mgd), and National City Wells (2 mgd). The Reynolds Desalination Plant production is scheduled to increase to 8 mgd in 2012 bringing the total supply capacity to 40 mgd, or 14,600 MG per year. SWA can substitute, or supplement this with imported treated water through its 40 mgd treated water connection. Total supply capacity, however is limited by conveyance capacity and imported water availability.
- SWA Master Plan Update 2010 lists existing and recommended treated water storage. The 1.2 MG Central-Wheeler tank is scheduled to be built next.
- Raw water storage capacity equals 28,079 ac-ft at Sweetwater Reservoir, and 25,387 ac-ft at Loveland Reservoir for a total of 53,466 ac-ft, or 17,421 MG.

Please provide brief responses to the following questions:

- Do current facilities have the ability to accommodate forecasted growth for the next 12 to 18 months? If not, please list any additional facilities needed to serve the projected forecast, and when and where they would be constructed.**

Yes X No

- Do current facilities have the ability to accommodate forecasted growth for the next five years? If not, please list any additional facilities needed, and when and where**

they would be constructed.

Yes X No

4. **Are there any new major maintenance/upgrade projects to be undertaken pursuant to the current year and 6-year capital improvement program projects that are needed to serve the City of Chula Vista? If yes, please explain.**

Yes X No

Sweetwater Authority has several maintenance and upgrade programs where pipelines, valves and other facilities are being renewed. This allows the Authority to continue to provide excellent service in the near and long term. The 2010 Water Facilities Master Plan lists almost all proposed projects and estimated costs. In addition, The Desalination Facility capacity may be increased, and the Perdue Treatment plant was upgraded to meet new treatment standards.

5. **Please provide any other relevant information, recommendations or suggestions that you would like to relay to the GMOC and/or the City Council.**

The Sweetwater Authority is monitoring development activities within the City of Chula Vista, including the bay front, and the urban core which will require major infrastructure coordination. Please continue to keep Sweetwater Authority informed and involved in all development and capital improvement projects to reduce the potential for unexpected water infrastructure requirements.

PREPARED BY:

Name: Hector Martinez
Title: Engineering Manager
Date: 25JAN12